THE

LABOUR MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Editor : R. PALME DUTT

Volume 19 June, 1937 Number 6

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A Magazine of International Labour

VOLUME 19 JUNE, 1937 NUMBER 6

Editor: R. PALME DUTT

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The Labour Monthly

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A YEAR OF PROGRESS

IN the June, 1936, issue we published a general statement of the position of the LABOUR MONTHLY based upon an extract of the accounts for 1935. This year we repeat our action because we know that this information is of interest to readers and supporters, as proved by the very wide response which the LABOUR MONTHLY has received since it made a frank statement of the crisis position in 1934.

No magic wand has waved. There has been no magic lamp. The LABOUR MONTHLY has been able to pull through a severe period, and is now able to report a considerably improved position after 12 months of steady progress, because of the direct assistance given to the magazine by its readers. This " readers' initiative " is reflected not only in the Debt and Guarantee Funds, both of which have been maintained at a fair level, but is also reflected by increased sales with the consequent increased sales income. Readers have become agents, selling the LABOUR MONTHLY as well as reading it. They have become subscription agents, canvassing for half-yearly or yearly subscribers and posting the cash and order to us. Many have asked us to send a specimen copy to so-and-so and " I will canvass him for a regular reader." Every reader recognises the quality of the LABOUR MONTHLY, and it represents a positive step forward when a reader recognises the need for quantity and in these various ways contributes to the fundamental spade work. Only we, right here in the office, can know what it is to have the backing of readers in different parts of the country and overseas, and to watch the sales rising in consequence. We appreciate their help to the fullest.

RISING CIRCULATION.

Last year we were proud to point to a total print of 7,000 copies and in comparison with a one-time steady print of 4,500 copies in 1933, that was magnificent. In December, 1936, however, we printed 8,000 copies. One of the pleasant features of this rise in circulation is that there has been only a slight increase in the number and percentage of returns. The average monthly returns in 1936 was 600 copies ; a slight rise on the 1935 figure of 510 monthly average, or 7.2 per cent. in 1935 as compared with 8 per cent. in 1936.

The following circulation figures are for the May issue of this year and are therefore more sober than those for December last, when we printed 8,000 copies. At the moment, of course, we are experiencing a

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seasonal decline in sales, due to the closing down of Study Circles and classes, etc. Here are the circulation figures:

	March, 1936	May, 1937	Rise or Fall	
Britain	4,500	5,150	+650	
America	790	850	+ 60	
Australasia	555	570	+ 15	
Europe	390	230		—160
Africa	220	145		— 75
Asia	40	60	+ 20	
	6,495	7,005	745	235

Net increase 510.

Decreases can be explained largely because of censorships that occur in certain countries which includes confiscation. It will be noted that increases abroad are rather moderate as compared with 1936 when, for example, we registered an increase in European countries of 240 copies. This year our biggest increase abroad is of 60 copies in American countries. The more moderate tone abroad can also be partly explained by the gradual increase in the production of local journals in those countries where practically none existed before. But as we have insisted, the main base of the LABOUR MONTHLY must be in Great Britain, where we have great political responsibilities to face up to and where lies all round us the potential and untapped resources which should, if developed, yield a circulation to the LABOUR MONTHLY of at least ten thousand copies a month.

INCOME AND EXPENDITURE FOR 1936

The total income and expenditure for the year 1936, summarised under their main heads, was as follows:

INCOME	£	EXPENDITURE	£
Sales and Subscriptions ..	1,482	Printing, Binding and Paper	1,270
Advertisements	65	Premises, Lighting, Heating and Telephone	147
Guarantees (excluding £180 of donations to Debt Fund)	162	Office Manager	159
Deficit	85	Stationery	107
		Advertising	111
	£1,794		£1,794

The improvement on the figures for 1935 will quickly be noticed. Cash returns on sales shows an improvement of £346, while the increased cost of printing was only £261. This will amply justify our claim for a 10,000 circulation to make the MONTHLY self-supporting. An increased

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circulation also produces greater advertising revenue. Advertising revenue in 1935 yielded £40 as compared with an increase in 1936 to £65.

The Debt and the Guarantee Funds

The net deficit shows only a slight reduction from £259 in 1935 to £247 in 1936. This is partly due to the fact that although the statement of monthly guarantees each month nominally stands at £19, we have been receiving only £14 per month average. A number of Guarantors have not been able to maintain their guarantees while some others have been unable to maintain them regularly. This gap between the required sum of £22 a month to cover the deficit and the actual sum received has had to be filled from the Debt Fund. In addition in the second half of 1936 the print order was considerably increased and income from this increase will naturally lag, the benefit not being felt until this year.

A special feature, however, is the reduction of the deficit to £85 in 1936 from £124 in 1935, although on the other hand the debt to the printer as at December, 1936, stood at £205. Had the Guarantees been well maintained together with a maintenance of the donations to the Debt Fund during the past year, it will be seen that a very big slice could have been taken out of the printers' debt.

It should also be noted that whereas only £54 was spent on advertising in 1935 the allocation was increased to £111 in 1936. There is an undoubted value in advertising in the right quarters. As the growth of the Left Book Club has shown, there is a large and growing body of opinion in Great Britain to-day which is becoming seriously interested in Left-wing literature. It is to this section that we have endeavoured to advertise the Labour Monthly. An increase in subscriptions has been one result, while a growing number of those associated with Left Book Club Discussion Circles have been influenced to take the Labour Monthly into the Circles with very good results.

In the Future

It is customary for the Labour Monthly to receive the highest compliments from readers in all parts of the world. Perhaps one of the highest compliments paid was from a reader in this country, who wrote describing the Labour Monthly as "the best monthly journal in the British Labour Movement." What does such a journal, with such a reputation deserve? It deserves a circulation in the home country of not less than 10,000 copies. We want to aim at becoming "the best journal in the British Labour Movement with a ten thousand circulation," and the strategetic weapon for getting there must be, as in the past—the weapon of "readers' initiative."

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Since the launching of our Special Appeal in 1934 to the present day we have been able to see a continuous increase in sales with only temporary setbacks. Now we want to make a hit for a higher and more stabilised circulation and sales income. We want to increase the power of the LABOUR MONTHLY not only as an educator, but as a powerful instrument towards the forging of Unity in this country, which policy the LABOUR MONTHLY has never ceased to advocate. If five thousand British readers get to work with that aim, then ten thousand readers by December, 1937, will become a practical possibility.

Coupled with this we want to set ourselves to accomplish a complete abolition of the Debt Fund by the end of this year. This can be done by giving the Debt Fund the most successful period of its existence ; by increasing it to the proportion required to settle the printer's debt. Is this setting too high a point for achievement ? With a clear six months ahead of us, with continuous effort by each one of our readers, we could achieve something even greater. We are therefore setting ourselves to accomplish something which is within the limits of practical work.

At this stage we would like to appeal to those Guarantors who have been compelled to discontinue to once again take up their guarantees, even though this may be a reduced amount, and those who have not yet guaranteed to do so now.

What we can do :

(1) Raise the Guarantee Fund to £20 a month.

(2) Flood the Debt Fund with donations to free the LABOUR MONTHLY from debt and to abolish the need for the Debt Fund.

(3) Through " readers' initiative " to raise the sales to 10,000 readers by the end of this year ; and so to reach the point of stabilisation.

To the Manager, THE LABOUR MONTHLY, 7 John Street, London, W.C.1.

**In response to your appeal I enclose herewith the sum of* ..... *as a contribution to the* LABOUR MONTHLY *Debt Fund.*

**I promise to send the sum of* .....*monthly to the Guarantee Fund until further notice and enclose a first instalment of* .....

*Strike out whichever sentence does not apply.

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NOTES OF THE MONTH

The Empire War Conference—From 1911 to 1937—War Clouds—Dominions and Foreign Policy—Post-War Separatism—The Imperial Secretariat of Buckingham Palace—Ottawa's Fifth Year—The Shadow of President Roosevelt—Mackenzie King and Roosevelt—Canadian Isolationism—South Africa and Nazism—Pirow's Policy—After the Collapse of Sanctions—Australasia and Japan—Empire Armaments—Britain, India and the Dominions—The Empire and the League of Nations—Dominions and Collective Security—The Collapse of 1936—Isolationist Empire Rearmament—The Path to War and the Path to Peace

WITH the present Empire Conference now in session in London, followed by the League Council at Geneva, we come very close to the basic questions of British foreign policy and of the forces driving to war. Although the main proceedings of the Imperial Conference are secret, it is publicly stated that the principal issues before the Conference are those of foreign policy and war preparations. At the opening session the British Prime Minister declared:

> We are agreed that questions of foreign affairs and defence shall be our main subjects.

He further concentrated attention on a combined programme of Empire rearmament:

> Others of you here, impressed with the same dangers, though equally deploring the necessity, have felt compelled to revise your own defence preparations, and it will be our task to consider whether, while preserving our individual rights of decision and action, we can co-ordinate our various policies in such a way as to assist one another.

Towards what purpose is this plan of Empire rearmament, which has already been prepared by the Hankey tour of the Empire and the subsequent special defence programmes of the various Dominions during the past twelve months, and which is intended to be crowned at the present Conference, directed? Against what enemy? Towards what war? These questions are of vital concern for the peoples of Britain and the Empire. Current discussion of foreign policy too often confines itself

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to the immediate European questions which are in the forefront, and fails to take into account the world framework which is always present to the minds of the directors of British policy and also governs their rôle in Europe. But in fact it is one and the same policy of the National Government which undermines the League, which refuses any collective stand for indivisible peace in Europe as a whole with France, the Soviet Union and the smaller European states, and which, as a consequence and counterpart of this, concentrates on independent Empire rearmament as its alternative. It is the contradictions of this policy, and the deadly outcome to which it is leading, menacing alike for the people of Britain, for the peoples of the Dominions and for the peace of the world, which it is now necessary to consider.

IT is impossible to fail to note the parallel of the 1911 Empire Conference, which accompanied the last Coronation and prepared the war of 1914. The *Times* comments:

> The conditions recall those of 1911, when the growing tension of international relations compelled the British Governments to consider their own preparations to meet the dangers threatening the peace of the world. There will be a similar survey this year and a similar examination of all the problems involved. Mr. Baldwin and Mr. Eden, we may be sure, will take the Dominion Prime Ministers into their confidence as frankly as did Mr. Asquith and Sir Edward Grey a quarter of a century ago.

It was in the confidential meetings of the 1911 Conference and on the Committee of Imperial Defence that Asquith, Grey and Haldane initiated the Dominions Premiers into what Asquith in his closing speech referred to as the "arcana Imperii," that is, the inner policy and secret commitments of the Entente through which the war on Germany was being prepared. A limited measure of military and naval co-operation was secured. On the other hand, an attempt at a unified armaments programme, put through the mouth of the docile New Zealand Premier, Sir Joseph Ward, for a contribution of 10s. per head from the Dominions populations for three Dreadnoughts, had to be dropped; and Sir Joseph Ward was defeated and turned out of office on his return. But the diplomatic and strategic interchanges of the 1911 Conference accomplished their main object and prepared the way for drawing the Dominions into the war in 1914. The test is now at hand whether the 1937 Conference will accomplish a similar task. What will Baldwin and Eden have

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for a foreign policy to offer the Dominions? And what will be the response of the Dominions?

TO-DAY the situation is completely transformed from that of 1911. British policy can no longer put forward a single clear line as before 1914; the potential enemies and fields of warfare are more numerous; Britain's world position is weakened; and the disparate tendencies of the Dominions are greater. On the one hand, Britain is far more heavily involved in Europe, both by the sequels of Versailles and by the new conditions of air warfare. On the other hand, the shift of the balance of world politics from Europe towards the New World has been reflected in the predominance of the United States, the advance of Japan in the Far East, and the growing independence of the Dominions. This already created a new and difficult situation for British policy in the decade after the war. It has been still further complicated in the last half-dozen years by the offensive of the Fascist Powers, the revival of German armed strength and colonial demands, the success of Italy in North Africa and menace to the British line of Empire communications in the Mediterranean, together with the direct threat of all three fascist Powers, Germany, Italy and Japan to British colonial interests. When it is added to this that the reactionary interests of British policy have led to a continuous measure of support to the fascist Powers, and throwing overboard of collective security, it is evident that Baldwin and Eden have no easy task to meet the Dominions and win their support for their policy and for their combined programme of rearmament.

SINCE the war of 1914-18 the Dominions are no longer as ready to follow British leadership as before 1914. This was shown in the Chanak crisis of 1922, when Britain sounded the call and summoned the Dominions by telegram to dispatch contingents: only New Zealand responded; Australia declared the issue would have to be laid before Parliament; Canada refused without more information; South Africa held over any reply. In 1924 the Geneva Protocol, sponsored by the British Labour Government, was rejected by the Dominions; this rejection, however, coincided with the wishes of the subsequent British Conservative Government, which used it as a pretext for torpedoing the project. The alternative reached, the Locarno Pact in 1925 was signed by the British Government separately without the Dominions. Similarly,

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the negotiations for a Western European Pact have gone forward independently of the Dominions. Most marked of all, in 1936, the surrender to Italy over Abyssinia was strongly and openly opposed at Geneva by South Africa and New Zealand.

DURING the first decade after the war, up to the world economic crisis, the movement of the Dominions towards economic and political independence went rapidly and conspicuously forward. The immediate menace of war appeared out of the way, with the German Navy removed from the seas, and with Washington Treaties stabilising naval competition and the situation in the Far East. During this period inner constitutional questions were to the front. The separatist tendencies reached their height at the Imperial Conference of 1926, which formally laid down the autonomy and equality of the Dominions, linked with Britain only under the Crown ; and this was finally embodied in the Statute of Westminster in 1931. The consequent legal position, especially in relation to war, remains veiled in a fog of careful obscurity. Opposing jurists present conflicting views whether or not a British declaration of war must automatically involve the Dominions, whether the same King can be at war in respect of one of his Governments and at peace in respect of another, and similar absurdities. The purpose of this is sufficiently clear ; the British aim is to avoid legal definition of the real position beforehand, which would arouse intense popular opposition in the Dominions, while in fact keeping the cards in their hands to secure that it will be " all right on the night."

AS in home constitutional questions, against the advance of democracy, so in relation to the Empire and the independence aims of the Dominions, the Monarchy is increasingly brought to the front in the present period as the trump card in the hands of the British bourgeoisie for future crisis (a point the Labour Party will do well to note, in view of the amount of familiar misleading nonsense peddled in the Labour press during the Coronation, to the effect that the Monarchy " does not matter," is the " ideal form of democracy," etc). While the complete liberation and emancipation of the Dominions from any control save the " personal link " of the Crown has been widely trumpeted abroad, less attention has been given to the assiduous efforts to build

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up a new machinery around that "personal link." A foreign observer, fully sympathetic to British imperialism, notes:

> The personal relations of the Dominions representatives and visiting statesmen with the King has become in fact an element of supreme importance for the cohesion of the Empire. The Dominions, finding at Buckingham Palace an ever-open door and unfailing understanding for their problems, developed the habit of consulting the King or his advisers, not merely on major constitutional issues, but on points of current business.
>
> Thus a kind of Imperial Secretariat has informally come into being at Buckingham Palace. (R. Freund, *Zero Hour*, 1936, p. 227.).

The "Imperial Secretariat of Buckingham Palace" is an excellent example of the deeply democratic character of British institutions, so eloquently hymned by Baldwin on his way to the House of Lords or by the newly-ennobled proprietor of the *Daily Herald*. In general, it may be noted that the elaborate attention given by the British ruling class during the last twelve months to questions affecting the Monarchy, as in the Abdication crisis and Regency Bill, is not entirely a harmless pastime or mere eccentric diversion from their usual strong political instinct for what matters.

AT the same time, in addition to the use of the Crown to counter the tendencies to disintegration, the British ruling class has sought to draw the threads together in the economic sphere. Here the world economic crisis, with the consequent weakened position of the Dominions as producers of primary commodities, and with their dependence on sterling, assisted the British endeavours. The new protectionist measures to re-knit the Empire were hammered out at the Ottawa Imperial Economic Conference in 1932. The Ottawa Agreements were only a limited success, and their ultimate fate is still uncertain. Since 1932 was in fact the lowest point of the world economic crisis, care needs to be taken in designating any subsequent upward movement in Empire trade as a result of Ottawa. But what is in any case abundantly clear from the results is that the Ottawa Agreements represented above all a price paid by Britain, that is, by British consumers, to draw the Dominions closer. Between 1930 and 1936 British imports from Empire countries (excluding the Irish Free State) rose by £51 million. But in the same years British exports to the same Empire countries fell by £18 million. Further, in the same years,

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British imports from non-Empire countries fell by £226 million, and exports to them by £98 million. It is obvious that Ottawa represents economically a net loss. But strategic considerations outweighed economic.

WHATEVER the outcome, Ottawa set in motion currents which may still wreck it or lead to its profound modification. The Ottawa Agreements not only gave a stimulus to the movement to economic isolationist policies and disorganisation of world trade, but inevitably aroused strong hostility from other Powers, and especially from the United States. This was partially reflected in the wrecking of the World Economic Conference the following year. The shadow of President Roosevelt lies across the present Imperial Conference. Although the British Government has ruled that the Ottawa Agreements shall not be allowed to figure on the agenda of the present Conference, negotiations with regard to them, and in response to President Roosevelt's overtures for new trade agreements and a world economic conference, may not be so easily excluded.

WHEN Mackenzie King won the elections in Canada in 1935, he declared that his victory represented a defeat for the Ottawa Agreements. He subsequently visited Roosevelt in Washington, and negotiated the recent Canadian-United States Trade Agreement. The powerful Canadian delegation is thus expected to voice American views. The *Times* writes:

> The thesis is freely propounded in various Canadian newspapers that at the approaching Imperial Conference Mr. Mackenzie King will undertake the rôle of expounding to the other delegates the ideas of President Roosevelt and Mr. Cordell Hull about the international situation and of inviting also their sympathetic consideration of an elaborate plan of world appeasement based upon a drastic mitigation of the policies of economic nationalism and trade strangulation.
>
> It is suggested that the Roosevelt administration in its efforts to negotiate a trade treaty with Britain finds a very serious obstacle to its satisfactory consummation in the existing system of Imperial preferences.
>
> Undoubtedly some such ideas have been simmering in the heads of Mr. Roosevelt and his Secretary of State, and were in all probability communicated to Mr. King during his visit to Washington. . . . On principle he would be sympathetic to such a scheme as is credited to the Roosevelt Administration. (*Times*, May 13, 1937.)

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SENTIMENT in Canada is described in the following terms in the current " Round Table " :

> There are still Canadians who put loyalty to the Mother Country above every other political affiliation. But both the number and the influence of these imperialists, so-called, have diminished since 1914 in proportion to other elements and other forces in the population. On all sides one hears it said that the enthusiastic rallying of that fateful year will not repeat itself. The burdens of the war still weigh crushingly, and the disillusionment of an otherwise barren victory has been accentuated by the bankruptcy of the institution that alone among its products promised lasting benefit. More and more English-speaking citizens add their voices to those of the French-Canadian bloc, which forms almost thirty per cent. of the population and which clamours with something like unanimity for total abstention from all foreign wars. Whether or not they know it, the members of this composite group are asking for secession from the Commonwealth. (Round Table, March, 1937.)

In the estimate of this imperialist organ, therefore, not only the French-Canadian thirty per cent., but " more and more English-speaking citizens " with them are opposing British leadership on the war question and thus in practice " asking for secession " from the Empire. It is important to note that the bankruptcy of the League of Nations is put as one of the factors leading to this outcome.

WHAT of South Africa ? Hertzog, whose speech in 1931 proclaimed the right to secede, has now been Prime Minister for thirteen years. The unification of Hertzog and Smuts represented, not so much the victory of a British orientation, as the unification of the White possessing class against the African majority of the population, who constitute seven millions of the nine millions in the Union. Repressive measures and restrictive legislation against the Africans are daily increasing ; the new Franchise Bill removes even the limited franchise they held in the Cape ; the recent Pirow speech proclaims the permanent subject status of the Africans as the pivot of South African policy. Reginald Bridgeman's article in last month's issue of this journal has described the growing fascist tendencies in South Africa. These are most openly expressed by the Dutch Nationalists under Malan, who combine anti-semitism and anti-communism with a pro-Nazi orientation. But they have their reflection in the Government. Pirow, Minister of Defence, is of German descent and an admirer

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of Nazi methods ; his reception of the Nazi cruiser, and his prominent part in negotiating the South African commercial treaty with Germany, cutting across the principles of Empire economic unity, indicated the direction in which he was moving.

THE advance of the fascist offensive has had a twofold effect in South Africa. On the one hand, there is determination to maintain hold of South-West Africa against the Nazi claims and inroads, and deep suspicion of the signs of tendencies in sections of British Conservatism and the British National Government to consider handing it over. Above all, there is intense opposition to Mussolini's war of conquest in Africa and building up of an African army. In consequence, South Africa was the most determined for sanctions against Mussolini. This situation has led to South African policy drawing closer to Britain for naval protection and military co-operation. An elaborate militarisation programme has been drawn up in conjunction with British advisers. This was the purpose of Pirow's visit to England in the early summer of last year, when he declared :

> South Africa and the British Empire have ninety-nine and one-tenths of their interests in common to-day, so we stand together. . . . The whole strategy of the Empire has changed. Cape Town is now once more a half-way house to the East and to Singapore. . . . A South Africa hostile to England is unthinkable. (*Daily Telegraph*, June 10, 1936.)

BUT the collapse of sanctions, and Britain's abandonment when South Africa was for continuance, dealt a blow to confidence in British policy. On June 18, 1936, the British Government declared for the end of sanctions. On July 1 the British Government carried this abandonment at the League, while the South African delegate, Te Water, opposed and declared that " the Covenant is falling to pieces in our hands." It was immediately after this that strong fascist and pro-Nazi tendencies advanced in South Africa. In July after his return Pirow made his speech declaring that, while South Africa could not cede South-West Africa to Germany, they would welcome the return of Nazi Germany to the ownership of colonial possessions in Africa (i.e., at the expense of Belgium, Spain or Portugal). Just as with the smaller States of Europe, so here also the collapse of the League led to tendencies to look to for conciliation with Nazi Germany as the apparently

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stronger and more successful Power. In the words of the "competent observer," quoted by Bridgeman:

> I am more and more convinced that at a convenient moment the Union of South Africa would be handed over to Hitler Germany even by the so-called imperialists, Smuts and Co. . . . Of course, if England goes fascist, nothing much will happen; but if Britain became socialist or even brought in a Government of the United Front, then the pro-fascist crowd here would show their teeth and use the weapons, now being supplied by Britain, against a really democratic Government. They would declare their independence, which would in effect mean inviting Hitler to take the country.

IN Australia and New Zealand the basis of British influence is stronger, while the issues of Italy and Germany are more remote. But here also the Japanese offensive has played a disturbing rôle; and while it has accelerated the pace of military preparations under British tutelage, the British policy of assistance to the Japanese offensive in its decisive early stages and refusal of American pleas for a joint stand has weakened confidence and increased the influence of the United States. In addition, the surrender of League principles to Italy met with the opposition of collective security sentiment in both countries, voiced directly in the case of New Zealand by the new Labour Government. A recent study of international affairs from the standpoint of British policy notes:

> As Sir John Simon in 1932 turned a cold shoulder to the American initiative for a joint Anglo-Saxon attitude towards Japan's war of aggression in China, the sorry consequences of the British Government's Far Eastern policy have placed Australia and New Zealand in a quandary. British policy was to allow Japan to forge ahead on the Asiatic mainland in three fond beliefs: (*a*) that Japan would accord Britain "open-door" treatment in her new possessions; (*b*) that Japan would not dare to push southward into China and threaten British interests and territory; and (*c*) that consequently Japan would be forced away from Hong Kong, Singapore, Australia and the Dutch East Indies into violent conflict with Soviet Russia. Japan, it was thought, would then be so weakened in a war with Russia that the British would not need to fight her, and China would reassert her integrity. The utter futility of this policy was made manifest within three years.—(Graham Hutton, *Is It Peace?* 1936, p. 237.)

The consequence has been to strengthen American leadership in Australia:

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> Quite apart from the difficulty of distance necessarily confronting any Australian Government which wanted to lend military aid to the mother country in a future European war, Australia has naturally tended to look upon herself both economically and politically as "the Britain of the Pacific." In that rôle the United States, already exerting more and more economic attraction upon Australian commerce, is likely to prove of more assistance to Australia in the long run than Great Britain herself.—(*Ibid.* 238.)

WITH this configuration of forces it will be no easy task for Britain to draw the Dominions into unquestioning acceptance of its war plans or rearmament programme. For in fact, despite every form of pressure, the Dominions have consistently resisted being drawn into any corresponding burden of armaments on the scale borne by Britain. In 1913 the total of Empire armaments was £108 million. Of this, £77 million was borne by Britain, £22 million by India and £9 million by the Dominions. In 1928 the total of Empire armaments was £171 million. Of this, £115 million was borne by Britain, £44 million by India and £12 million by the Dominions. This shows the following instructive difference in the rates of increase: Britain, £38 million or 49 per cent.; India (least able to bear the exaction, but under British autocratic rule, and therefore least able to resist receiving the heaviest burden), £22 million or 100 per cent.; Dominions, £3 million or 33 per cent. on a very low initial figure.

COMING to current figures, the United Kingdom armaments expenditure for 1937-8 totals £288 million (including £80 million by loan), alongside a total budget of £863 million, or 33 per cent. of the Budget. Indian arms expenditure for 1936-7 amounted to £37.7 million out of a total expenditure of £91.7 million, or 41 per cent., and the provisional estimates for 1937-8 will raise this figure to over 50 per cent. Contrast with this the Dominions. Australian arms expenditure in 1936-7 reached the record figure of £8.7 million out of a total expenditure of £81.5 million, or 10 per cent. Canadian arms expenditure for 1937-8 has been brought up with a steep increase to £7 million out of a total expenditure of £82 million, or 8 per cent. South African arms expenditure in 1935-6 was £1.3 million out of a total expenditure of £36 million, or $3\frac{1}{2}$ per cent. The New Zealand figure is negligible and includes constabulary with defence. In proportion to population the

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United Kingdom citizen pays about seven times as much per head for armaments as the Dominions citizen. It is not therefore surprising that the British Government is anxious to do everything possible to draw the Dominions into the armaments race, into placing orders in England for warships and aeroplanes and constructing naval and air bases.

BUT behind armaments lies policy. And here arises the distinctive and growing difficulty of the British Government in the present period to range the Dominions behind it in a unitary foreign policy. In the earlier stage of the post-war period it was hoped to find assistance in solving this problem through the forms of the League of Nations. The Dominions were given separate representation in the League of Nations, as they had already received at Versailles. This was not only a device, as Clemenceau imagined, to multiply British votes by six. It was also a very neat scheme to rebuild the weakening British hegemony through the most impeccable international forms with full recognition of Dominions independence. For in practice control of the League and its policy lay in the hands of Britain acting in unity with France. Where the Dominions in the first flush of independence might hesitate to accept a policy dispatched from Whitehall, the same policy could be wrapped up in a new parcel and stamped from Geneva. The theory was too ingenious to convince more than a section of progressive imperialists. But in practice it broke down against the realities of British policy in the League.

UP to 1935 this policy worked to a certain degree (though the experience over the Protocol and over Locarno showed its limitations). Hoare's speech of September, 1935 (" steady and collective resistance to all acts of unprovoked aggression ") represented the highest point of British prestige and of British leadership in relation to the Dominions. For in fact the outlook of the Dominions in foreign policy, allowing for special geographical conditions and problems, is necessarily that of the smaller States, anxious at any menace to their independence from the bigger Powers, and therefore ready to support any effective collective system which could be counted on to give them protection. All the Dominions rallied to the British call for " the collective maintenance of the Covenant in its entirety . . . this is no variable and unreliable sentiment, but a principle of international conduct to

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which my Government holds with firm, enduring and universal persistence." South Africa was the most urgent in pressing for a strong stand. Canada was the first to propose oil sanctions.

THE collapse of June, 1936, not only smashed British prestige in Europe, but dealt a heavy blow to British leadership of the Dominions, and threw the policy of the Empire into confusion. South Africa and New Zealand came out in opposition to Britain at Geneva. Canada drew closer to the United States isolationist policy. On June 12, 1936, the Winnipeg Free Press wrote:

> When the League disappears, and with it for half-a-century all hope of collective security, Canadians will find that armaments, fortifications, defence forces and bombing squadrons—and perhaps gas masks—will become commonplaces of our national life.
>
> The League will go if the British nations do not uphold it. What then? What then, indeed?

On June 18, 1936, the British Government announced its decision to abandon sanctions. In preceding sections we have traced the subsequent confusion and divergences of policy in Canada, in South Africa and in Australia.

FACED with this situation, British policy will undoubtedly endeavour to garner its fruits for its own war aims, and to encourage and stimulate the consequent isolationist sentiments of the Dominions against European commitments in order to win their support for a heavy rearmament programme. The words of the new Governor-General designate to South Africa, Sir Patrick Duncan, speaking at Aberdeen in January, 1937, are symptomatic:

> I hope you will not let these controversies in Europe pull you into commitments, even possibly into conflicts, in which it will be difficult for the Dominions to follow you. (*Times*, January 31, 1937.)

The imperialist Round Table is even more open in its advocacy of the abandonment of collective security:

> It may well be that a more fundamental decision is facing us than any that has confronted us since 1920. Is it really necessary that the whole world should remain tributary to Europe, so that if, as in 1914, an anarchic Europe once more stumbles into war, the whole world has to stumble into the inferno after it? Is not an alternative possible? Might not the pan-American system and the British Commonwealth

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> system, if they both detached themselves from our commitment to any other continental system, form a bloc so strong that no other Power or Powers would dream of attacking it, and economically and politically so stable that it could stand outside a European war, and yet exercise decisive influence in preventing war, in isolating it if it broke out, and in ending it quickly and on reasonably just terms ? . . . It is precisely questions of this kind which it is the business of the Dominions to compel the Europe-fascinated politicians of Great Britain to face next May. (" Power Politics and the Imperial Conference," Round Table, March, 1937.)

THIS is the policy which under phrases of peace and non-intervention is preparing imperialist world war. This is the policy which means the free hand for Hitler, Italy and Japan. It means, in the present, heavy rearmament in preparation for the future war, while the fascist offensive is allowed to rage unchecked through the smaller states. It means, in the future, the certainty of imperialist world war, when the fascist empires have reached to the fullness of their strength and aggression—either imperialist war of the British Empire for the right to maintain its colonies, or imperialist war in support of fascism against the Soviet Union. For this path of war British policy seeks to prepare the Imperial Conference. If the Dominions consent to this policy, they will be treading the path, not of peace, but of war. It is for the peoples of Britain and the Dominions to unite with the peoples of all countries in defeating this policy, to defeat the reactionary Governments opposed to the collective maintenance of peace, and to unite with the Soviet Union, with the People's Front in France, in Spain and other countries, and with the People's Front in the colonial countries, in building up the world front of the peoples for peace.

R. P. D.

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LABOUR'S "SHORT PROGRAMME" & THE UNITY CAMPAIGN

By G. R. STRAUSS, M.P.

"LABOUR'S Short-Term Programme" is a most important publication. For years past all progressive sections of the Movement, in particular the Socialist League, have been demanding some such concise statement of party policy. It is no coincidence that its production should follow so quickly on the Unity Campaign's Manifesto. The purpose of this article is to compare these two documents.

The Unity Campaign, with its short programme of immediate objectives, met with an immediate and phenomenal response from all parts of the country. It brought new confidence and new hope to the rank and file of the Labour Movement. It stemmed the tide of dissatisfaction and despair that had been mounting with dangerous rapidity throughout the Party. It gave direction and strength to the demand that the Labour Party should cease being a complacent Opposition, and develop instead a determined frontal attack on Capitalism and the Government. The National Executive, instead of welcoming this new fighting spirit, did their utmost to quench it. While the *Daily Herald* withheld from its readers any news that might indicate the amazing success of the Campaign, Transport House tried its best to discredit it by vicious and despicable misrepresentation. It shouted "Moscow Gold" more lustily than any Tory. It threatened expulsions and disaffiliations in every direction. None of these things had the smallest effect on the progress of the Movement. Influential Trade Unions began to give it their support. The Transport House campaign of calumny plainly assisted rather than impeded its progress. A counter-attraction had to be produced. So the long promised Short-Term Programme was cast into form and rushed to the printers.

The difficulty that confronted the authors of this programme was that it had to fulfil three conditions. First, it had to be so framed that they could claim that it was as "Left" as that of the Unity Manifesto. Secondly, it had to be in such general terms as would conceal the deep cleavage in the leadership of the party on such vital matters as foreign policy and rearmament. And, thirdly, its wording had to be vague enough to permit of a wide range of interpretations, should a Labour Government

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ever be called upon to put it into operation. "Labour's Immediate Programme" triumphantly fulfils all these conditions.

Broadly speaking, its domestic policy is the same as that of the Unity Manifesto. This was inevitable, if it was to be as "Left." But the National Executive have thereby unwittingly destroyed their case against co-operation with the parties who were signatory to the Manifesto. It is impossible, they had argued, to work with organisations whose aims are so different from theirs. It would not only be confusing to the electorate, but fundamentally dishonest. And, lo and behold, this domestic programme which the National Executive invites the Labour Party to adopt turns out to be almost identical with the programme behind which these organisations have pledged themselves to concentrate all their energies. Why then should its achievement not be fought for with the united strength of all those who support it? Put forward in a desperate attempt to stave off the approaching unity which its authors so fear, "Labour's Immediate Programme" is a document whose every paragraph cries aloud for unity.

The necessity, referred to previously, of avoiding precision in the drafting of the programme, has inevitably given it a woolliness which damages its popular appeal. It contains too much political jargon and too many stale clichès. In some points it is extremely vague. It asks that "provision be made for improved pensions." The Unity Manifesto is precise in its demand for "non-contributory pensions of £1 at 60." But all thirteen points put forward in the Manifesto are incorporated in the official programme; for the unemployed, abolition of the means test, proper scales of unemployment relief, and rehabilitation of the distressed areas; for the employed, higher wages, a 40-hour week, and paid holidays; for all, improved pensions and better housing. The land, the mines and banking are to be nationalised and the rich made to pay for social improvements, which, in the typical phraseology of the official programme, reads "taxation will be used to secure a better distribution of wealth and purchasing power."

The foreign policy and rearmament declarations of the two programmes are unfortunately markedly different. Both agree on the need for the nationalisation of the arms industry. Beyond that, the official programme is an assortment of platitudes which have been the stock in trade of Labour Party and League of Nations Union perorations ever since the League was founded. For example, the paragraph headed "Peace" reads: "A just and lasting peace is an essential condition of human progress. The Labour Party, therefore, will do everything possible to safeguard peace and to co-operate with other nations so that they too may prosper." An International Police Force is advocated, as part, be it noted, of a programme of immediate objectives. While the pamphlet

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was being printed, the Non-Intervention Committee was sitting resignedly by, as German and Italian planes were smashing peaceful Spanish towns, in clear violation of the spirit and the letter of the non-intervention agreement.

What does the official programme suggest should be the Party's attitude towards rearmament? It is here, of course, that there is the most acute difference in the ranks of the leadership. Unless this difference is unequivocably settled at the Bournemouth Conference, the Labour Movement will be split in two, or rendered utterly impotent as an effective political force. Meanwhile, the only reference in the official programme to this fundamental problem is this masterpiece of ambiguity:

> A Labour Government will unhesitatingly maintain such armed forces as are necessary to defend our country, and to fulfil our obligations as a member of the British Commonwealth and the League of Nations. A Ministry of Defence will be set up to co-ordinate the three defence services, and to increase their efficiency. Conditions of service will be improved, etc. . . .

These smug phrases, which might well come from the lips of Baldwin, or indeed, from any Tory reactionary, and which would have been equally appropriate in 1924 or 1929, are alarming in their refusal to face up to the major political question of the day. What is meant by defence of our country? Whose country? It is certainly not owned by the working people, large sections of whom are at the moment desperately fighting the real owners at pithead and garage. And what are our obligations to the British Commonwealth? The protection of colonial profits for one set of capitalists against another? The imprisonment without trial of Socialists and Trade Unionists in India—or the protection of the natives in the colonies and dominions against exploitation? And what is meant by our obligations under the League? As no proposal is put forward, apart from the establishment of an international air police force, for making the League a realistic instrument for the preservation of peace, this phrase is positively dangerous. There is not a single reference in the official programme to Imperialism or to Fascism. It is clear that its authors are either hopelessly divided on these questions, or that they are bankrupt of any constructive opposition policy. These omissions reinforce the criticisms that have so often been made that the leadership of the Party is unable to appreciate the repercussions of international social movements on domestic policy. They are in fact mental isolationists.

The Unity Manifesto is infinitely superior on these matters. It does not benumb the intellect with cloudy phrases of goodwill, but puts forward a direct Socialist analysis of the situation together with a realistic policy of action.

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> Let the Movement declare its implacable opposition to the rearmament and recruiting programme of the National Government, for that Government uses arms only in support of Fascism, of Imperialist War, of Reaction, and of Colonial Suppression. The fight for Peace demands unbending hostility to a National Government that can in no circumstances be trusted to use armaments in the interests of the working class, of the peoples, of peace.
>
> To save the peoples of the world from the growing menace of Fascist aggression, the working class must mobilise the maximum effective opposition; it must mobilise for the maintenance of peace, for the defence of the Soviet Union and its fight for peace, and for a pact between Great Britain, the Soviet Union, France and all other states in which the working class have political freedom.

So far from being a mere repetition in more liberal language of the Government's own policy, this statement presents a definite and attractive alternative. It is essential that such a clear alternative be put forward if any serious attempt is to be made to oust the National Government. Otherwise we are deprived of effective argument in asking the public to put us in power.

The policy as set out in the Manifesto, the main feature of which is the need for the speedy establishment of a mutual peace pact between this country, France, and Soviet Russia, is based on sound Socialist principles, and has the support of almost every intelligent observer of Foreign Affairs. If it is boldly advocated with all the vigour of the Labour Party machine, it can rouse mass enthusiasm as the best practicable method of maintaining peace.

A comparison of the official Short-Term Programme and the demands embodied in the Unity Manifesto therefore lead to this conclusion. Apart from a difference of wording, the domestic proposals of these two documents are so similar that all working-class parties can give them their whole-hearted support. If the National Executive of the Labour Party showed any willingness to co-operate, the signatory parties to the Manifesto might well accept the draft of this section of the Official Programme as it stands. But the section dealing with rearmament, foreign affairs and allied subjects must be amended. This will anyhow have to be done if the Labour Party is not to condemn itself to utter futility. A determined and probably a successful effort in this direction is certain to be made at the Bournemouth Conference. The debilitating effect on the party fortunes of the ambiguity and wishy-washiness of its policy on these vital matters must have become apparent to the whole movement during the past year. If the rank and file asserts itself sufficiently to bring about that working-class unity which it now so plainly desires, then it will be strong enough to give decisive support to that considerable section of the leadership which is already pressing for a more precise, realistic and vigorous expression of policy on these questions.

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There is one other important aspect of the two programmes which must be kept in mind. " Labour's Immediate Programme " is to be carried out " during a full term of office, when returned to power by the electors." The Unity Manifesto says " Let the Movement not wait for General Elections, but now, by active demonstration, win and organise support for " its proposals. This difference of approach is, of course, fundamental. The official leadership of the party hopes that if during the next few years it continues in its present path of respectable and statesmanlike opposition, in 1940 when the next election is due it will be able to find some suitable battleground, whereby, with the aid of the proverbial swing of the electoral pendulum, it will be returned to power. This is an utterly unreal view of the situation. It is almost invariably the Government—particularly when it possesses a Parliamentary majority —and not the Opposition which chooses the ground on which the election is to be fought. There is no reason to think that the pendulum will swing more left in 1940 than it did in 1935. Moreover, if the present foreign policy of the Government remains unchanged, there is likely to be a European war long before the next election comes. And if there is not a war there will certainly be a warlike tension which the Government will exploit to its own immense advantage.

It is therefore evident that the only way in which we can realise our programme is to demand its fulfilment now, while the industrial boom is still advancing and while the approaching war situation makes the Government desperately anxious to retain the sympathy and loyalty of the people. It is doubtful whether there has ever been a time in which Capitalism has been more ready to make concessions than at the present. Can anyone doubt that if, for example, a united and determined demand went up now for paid holidays for all workers, this would be granted within a few months at the outside ? It is the whole purpose of the Unity Campaign, as I conceive it, so to rouse the militancy of the working class that a large measure of the reasonable demands which it puts forward can be won immediately ; that those roused forces will be powerful enough to resist Fascist inroads in our Constitution, and influential enough to force the National Government to abandon its dangerous isolationist and pro-fascist foreign policy. If we can succeed in this, then, and then only, will a Socialist victory at the next election be assured.

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THE FINANCIAL CONSEQUENCES OF REARMAMENT

By JOHN KNIGHT

THE Government's rearmament programme provides for an expenditure of £1,500 million during the next five years. It is not easy to imagine what such an expenditure means. The *Monthly Review* of Barclays Bank for March, 1937, tries to show the magnitude of the sum by the following comparisons:

> The significance of so large a sum is very difficult to appreciate and is probably best illustrated by comparing the amount with similar expenditure at other periods. If this be done it will be seen that the £1,500 million which it is expected to spend in the next five years is nearly twenty times the sum devoted to the Army and Navy in the fiscal year 1913-4, is larger than the cost of the three Defence Forces in the thirteen years ended 1934-5, amounts to over one-fifth of the twelvefold increase in the total of the Deadweight National Debt between 1914 and 1920, and is six times the estimated cost of the Boer War.

Workers will understand even better the significance of such a gigantic armament expenditure, if they realise that £1,500 million is just about the amount of the total national wage bill in 1935. *If the money which the ruling class intends to spend on arms were spent on raising the standard of living of the workers real wages could be increased by twenty per cent.*

The decision to spend £1,500 million on armaments was not a sudden one; an increasingly greater percentage of the national income has been spent on armaments.

ARMAMENT EXPENDITURES AND NATIONAL INCOME*

Year	Armament Expenditures (in million £'s) £	National Income £	Armaments in Per cent. of National Income
1934 ..	114	4,238	2.7
1935 ..	137	4,530	3.0
1936 ..	188	4,850	3.9
1937 ..	278	5,200	5.4

*Figures for armament expenditures refer to the financial year beginning on April 1 of the year indicated and ending on March 31 of the following year; the figure for 1937 includes an estimated sum of £80,000,000 to be met by borrowing. The figures for the National Income in 1934 and 1935 are taken from Colin Clark, *National Income and Outlay*; the figures for 1936 and 1937 are estimates.

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The percentage of the total national income spent on armaments has been doubled during the last three years. It is important to see how wages developed during this period of absolutely and relatively increased armament expenditures.

WAGES AND NATIONAL INCOME*

Year	Wages (in million £'s)	National Income (in million £'s)	Wages in Per cent. of National Income
	£	£	
1934 ..	1,442	4,238	56
1935 ..	1,520	4,530	54
1936 ..	1,600	4,850	53
1937 ..	1,700	5,200	51

Wages have increased slightly during the last four years. But the total national income has increased considerably more than wages, so that the percentage which wages form of the total national income has declined. *While the relative amount of the national income spent on armaments has doubled during the last four years, the relative amount made up of wages has declined by about* 10 *per cent.*

Before we turn to the study of the financial consequences of the new armament programme it is worth while to look back once again and to investigate the importance of increased armaments during recent years in the sphere of capitalist financing. Every year millions are being raised on the capital market to finance industry. In a period of increasing armament production, more and more money is being raised for the extension of armament production facilities. In the following table we show, for the last two years, the total amount of money raised on the long term money market and the amount raised by the iron and steel, engineering, automobile and aircraft industries ; for 1937 we include the government defence loan which obviously is intended for armament expenditure.

CAPITAL ISSUES†
(in million £'s)

Year	Total	Armament Industries
1935 (2nd half)	138.6	18.8
1936	469.5	91.9
January-April, 1937	246.6	126.3

The percentage which armament issues form of all capital issues has increased from 14 *in the second half of* 1935 *to* 19 *in* 1936 *and to* 51 *during the first four months of* 1937.

What are the financial consequences of raising the enormous amount of £1,500 million for armament purposes? What are the financial

*Sources for wage data same as those for National Income. See preceding footnote.
†Computed and quoted from *Daily Herald, Monthly New Capital Issue Digest.*

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consequences of spending such a sum on armaments? Both problems are of the most serious concern to the masses of the English people.

Let us first investigate the question of raising such an amount. The Chancellor of the Exchequer has indicated that he wants to raise about £1,100 million by taxation and the rest through loans. There exists a highly entertaining literature full of mental acrobatics on the question whether it is preferable to raise such " extraordinary revenue " by taxation or by loan. For the worker it is, at first sight, quite immaterial how the money is raised. The only thing of interest to him seems to be: how much has he to pay?

How does the worker pay for rearmament? The most obvious way is by increasing the taxes he pays or by levying new taxes. This method was often resorted to in the past. To-day, however, the ruling class is usually clever enough to choose other ways, not quite so obvious. Another means of extracting contributions from the workers to the rearmament programme is the raising of indirect taxation. This was done last year with tea. But the additional amount collected is negligible compared with the sums required. This year no rise in indirect taxation has taken place.

From this year's budget one gets the impression that the Government intends to raise the additional revenues needed, by loans, by taxes on persons having an income higher than the vast majority of the workers, and by taxes on company profits. This may, at first sight, seem quite surprising— a capitalist Government increasing the taxes on the rich and leaving the taxes on the mass of the people unchanged. But taxation of the rich does not necessarily mean that the rich pay these taxes out of their pockets. If the lords of industry, if City magnates have to pay higher taxes—they do not pay out of their own pockets, but grab the money out of the pockets of the poor. Not that they have an army of pick-pockets who get the money for them. They have a much simpler method: they raise the prices of the products they deal in. This is one of the fundamental things the worker must know about taxation: *Taxation of the rich does not mean that the rich have to pay. Taxation of the rich is not sufficient. What we must demand is: Taxation of the rich and no increase in prices!*

But even this statement has to be qualified. As long as capitalism exists, the workers have a certain interest in the equal distribution of profits among capitalists. For the workers have a certain interest in equal distribution of employment and wages. In a period of increasing armaments, however, that group among the capitalists which represents the armament interests grows in importance and influence. This increase of its influence finds expression also in an attempt not only at increased exploitation of the workers, but also in an attempt to get extra profits

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by robbing other groups of capitalists. This fight among capitalists can, in a period of the rapidly increasing influence of armament producers, lead to such a deterioration of conditions in other industries that the workers suffer severely. Perhaps the best example of such a development is Germany where at present hundreds of thousands of workers in the industries producing consumers' goods are working short time while armament producers have three shifts in their factories and make profits ten to a hundred times as large as other producers.

The campaign against the National Defence Contribution, which the Chancellor proposed as additional tax for financing remarmament, is nothing but such an attempt by armament profiteers to rob other employers of part of their profits. For the N.D.C. provides for an equal, though very light, taxation of profit increases while the armament profiteers try to induce the Chancellor to levy the tax for armament profiteers on a basis different from that for other industrial concerns. The slogan of the workers, therefore, must be qualified as follows: *Equal taxation of the rich who are to pay the rearmament costs, and no price increases!* During the past year prices, however, have increased very considerably. The following table shows the development of wholesale and retail prices:

WHOLESALE AND RETAIL PRICES

Year	Wholesale Prices* 1930—100	Cost of Living† July, 1914—100
1st Quarter, 1936	91.7	147
2nd Quarter, 1936 ..	92.1	144
3rd Quarter, 1936	95.0	146
4th Quarter, 1936	98.9	150
1st Quarter, 1937	104.7	151

Wholesale prices have increased from quarter to quarter. Each increase was larger than the previous one. In the first quarter of 1937 wholesale prices were about 14 per cent. higher than during the same period in 1936—and the cost of living, always slow to follow, increased since the second quarter of 1936 by about 5 per cent.

It would not be right, however, to attribute the whole rise in prices to the shifting of the tax burden by the rich upon the masses of the people. While undoubtedly part of the price increase is due to the financing of armament expenditures, a much greater part of the expenditure is due to the increased spending of money upon armaments. Both are quite different operations and their consequences though similar must be distinguished. The financing of armaments up to now has been done by way of general taxation. The spending of the money collected for armaments, however, is done through much more narrow channels, benefiting only a selected part of industry, namely the armament industry, in which we include the producers of armament raw materials. The

*Board of Trade. †Ministry of Labour.

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concentration of such enormous sums upon a comparatively small market must, if no counter-measures are taken, lead to a rapid rise in prices. Since the Government made no effort to stop the rapid rise in armament prices the difference in armament and other prices has grown considerably. No prices for tanks or machine guns or aeroplanes are known. But for the most important armament raw materials, for non-ferrous metals, the Board of Trade has computed a rise in prices between April, 1936, and April, 1937, amounting to 42 per cent. The general price level, however, rose by only 18 per cent.

Since many commodities, the prices of which have risen in consequence of the armament boom, are used also for non-armament purposes, the price rise of armaments goods affects also the prices of other commodities. If, for example, prices for copper rise because the armament industry needs great quantities of copper, then the prices of general electrical equipment as well as of many household utensils into which copper enters increases too.

One thousand five hundred million pounds for armaments ! The sum seems enormous. Yet it is small as compared with the burden armaments put on the mass of the people. During the past year prices have risen by 14 per cent., partly as a result of collecting the money for armaments, partly as a result of spending money on armaments. Since the total value of the industrial and agricultural output alone amounted in 1936 to about £2,500 million, a general increase of prices by about 14 per cent. means an additional burden of 350 million pounds sterling. That means : *Even if prices do not increase any more the price increases during the first year of greatly increased armaments have added already a yearly sum of £350 million, or of £1,750 million during the next five years, to the already heavy burden on the mass of the people.* If we look at the movement of prices, however, there is no sign that they have stopped increasing ; on the contrary, their increase continues and becomes more and more rapid.

Some bourgeois economists might argue that an increase in prices was inevitable and would have occurred without an increase in armament production. An increase in prices is a necessary accompaniment of rising production. This argument can easily be refuted. First, one might induce these economists to look at the development of prices in the United States during the years of " unprecedented prosperity " up to 1929. During this period of rapidly increasing production, prices remained approximately stable. Secondly, one might point out to them that while production in the United Kingdom increased during 1933, 1934 and 1935, prices remained roughly stable between the summer of 1933 and the summer of 1935, and after a slight jump in the autumn of 1935 remained about stationary again until the middle of 1936.

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One is fully justified in ascribing the price increase during the last year to the armament race. One is therefore justified also in pointing to the price increase as the most serious, and from the workers' point of view as the only really important financial consequence of rearmament. As to the future, we may add another important consequence, and that is : an increasingly unequal distribution of employment because of the increasingly unequal distribution of profits among the different capitalist groups.

One further point must be mentioned. Chancellor Chamberlain spoke of extraordinary armament expenditures for the next five years. But what will happen when the five years have passed ? Does he expect that expenditures can be reduced again to the 1935 level ? Does he expect us to believe that ? If the air force has been trebled, if the navy has been rebuilt and enlarged, if the mechanical equipment of the army has been vastly increased, if fortifications and aerodromes have been built—does he think that a military apparatus grown so much during five years of intensive armament can be maintained with the expenditures of 1935 ? Of course not ! And what does that mean ? *It means that the new armament programme entails greatly increased expenditure not only during the next five years, but for as long as Fascist States and rivalry among the great imperialist powers make disarmament impossible.*

LENIN LETTERS

Owing to exceptional pressure on space the further instalment of Lenin's Letters promised for this issue has been unavoidably held over ; it will definitely appear in the July LABOUR MONTHLY.

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INDUSTRY'S WAR FRONT WIDENS

By H. S. GORDON

BALDWIN, donning the tattered garment of the "honest man," appeals for peace in industry in the same accents that preceded the betrayal of 1926; Coronation "rejoicings" put over with every aid of press and wireless seek to maintain the facade of a "united nation"; Neville Chamberlain even offends his friends by talk of a tax to skim the surface of rearmament profit. Thus all devices are brought into play to stem the rising demands for shorter hours, higher wages and improved conditions which threaten to slow down the merry game of war profiteering.

For the battle is already joined. Reaction is massing its forces. The trade union movement must either advance, conscious of its power and the strength which comes from unity, or suffer disastrous defeat. How far do the first moves in the struggle—the advance of the Beardmore engineers and the London busmen—give promise of success on a wider field?

Both demands were moderate in the extreme. The Clydeside men asked for an increase in wages, which if granted would not be sufficient to counterbalance the rise in the cost of living. Busmen fought only for a forty-five-hour week in an industry which has been affected more than any other by speed-up methods. Yet both waged a lone fight. The engineers were forced into the position of acting in defiance of their union and only the weight of their District Committee and widespread agitation throughout the country compelled the executive of the A.E.U. to recognise their strike. Fiercest phase of the busmen's struggle was the preliminary round with the executive of their own union. Plenary powers in the dispute were given to the Central Bus Committee because they made it clear that they were completely united and at any cost would protect themselves from another agreement like the one concluded in 1932.

Ernest Bevin fought hard before the Court of Inquiry, but within a week of its report he had sent a long circular to the branches urging acceptance of an offer which made little advance on pre-strike formulæ and promised another inquiry on medical grounds to report within a year! It is not without significance that the only result of his appeal was to change the view of one garage out of fifty, but such a situation

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does not encourage the hopes of a fighting leadership for which the rank and file is waiting.

* * * *

To-day, more than at any other period in the history of the movement, the industrial workers have a defined aim and a conscious and informed philosophy. Deep into their minds has sunk the lesson of unity. They have seen the gains which it has registered in France. They are conscious too of what has been achieved in the Soviet Union. They are ready to fight not only for the demands thrown up by the conditions of a particular section of industry, but for a programme designed to benefit the workers as a whole.

Outside the ranks of the great industrial unions, there is an unexpected militancy. The Shop Assistants' Union and N.U.D.A.W., organisations of the vast distributive trades, are waiting the moment of advance. Both have passed resolutions supporting the Unity Campaign. Soon they will be merged into one great union with a quarter-of-a-million members pledged to end the menace of sweating. The National Union of Clerks has also endorsed the unity campaign. Bank clerks and insurance workers—professions which hitherto have fought shy of organisation—are ready to fight for the principle of trade union recognition. Waiters and other catering workers, who for long have been victims of intolerable conditions are beginning to realise the need for organisation. Post Office workers, divorced by the Trade Disputes Act from the rest of the movement, warn the Postmaster-General in unmistakable terms that they intend to go forward in their demand for a forty-hour week.

Spontaneous expression of the growing revolt has been given by the Clydeside apprentices and the provincial busmen. The Glasgow boys, who built up a strike machine which compelled recognition, not only of their immediate grievances but of the whole system of youth labour operating without any check on the avarice of employers, have earned a place in the story of the working-class movement. Equal solidarity was shown by the busmen. Within a fortnight of a single garage at Gillingham ceasing work, the strike had spread to ten counties. They returned to work on the promise of their union to negotiate, but they have given sufficient warning that no half measures in dealing with their demand for relief from the burden of low wages and speed-up methods will satisfy them.

* * * *

So the stage is set for the next phase in the struggle. Miners, massed by an overwhelming ballot vote behind the Harworth men and in defence of the principle of free trade unionism in Notts, prepare to wage a national strike. Their delegates have rejected decisively a policy of amalgamation which would have isolated the Notts coalfield for a period of years.

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They enter a struggle in which the very essence of trade unionism is at stake. South Wales and Durham, each of which has concluded improved agreements, willingly throw them into the melting pot to preserve their comrades in Nottinghamshire from the Fascist tyranny of employers backed by a scab union. The General Council of the T.U.C. has pledged full support to the mineworkers. Success or failure in the fight may well hinge on the vigour with which that pledge is carried out.

After the miners, the railwaymen. Their claims, which will shortly go before the National Tribunal, include such moderate demands as the return of the $1\frac{1}{4}$ per cent. cut remaining from 1931 and the low minimum of fifty shillings a week for adult workers. There can be no compromise if these claims are rejected.

Engineers, who more than any other section are piling up profits while their own real wages decline as the cost of living rises, are also ready to advance. Yet their unions appear more concerned with expelling militant leaders, fighting the shop stewards' movement and putting down unofficial strikes, than in preparing for the struggle.

* * * *

The issues before the movement are plain but there is as yet no sign that the Trades Union Congress intends to adopt a bold, comprehensive forward move throughout the whole field. Resolutions carried at Plymouth calling for the forty-hour week, holidays with pay, trade union organisation, recognition and effective organisation remain no more than paper plans.

The record of the Government at the International Labour Office on the issue of the shorter working day provides sufficient proof that no other means but trade union pressure can secure any advance in this direction. Equally nothing can be expected from the committee on holidays with pay which the Government has set up.

Vast sections of workers, particularly in the newer industries remain practically unorganised. A campaign on a national scale to bring them into line with the rest of the movement is an obvious necessity if the intentions of the Plymouth congress are to be translated into action. Pressure from below, inspired in a large degree by the unity campaign and the great mass of progressive opinion which it mobilised, is one of the main factors in the present situation. Resolutions supporting the principles of unity and calling for action pour into every executive committee. But only slowly is the trade union machine preparing for action.

Faced with a situation in which rising prices and continued speed up provide an overwhelming case, there has been no attempt to organise nation-wide propaganda. London busmen were not only placed in the

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impossible position of watching their fellow transport workers acting as official blacklegs, but they fought without any active assistance from the rest of the movement. No national leader appeared on a public platform to support them. The statement of their case which sold in hundreds of thousand was prepared not by Transport House but by the rank and file movement. Yet their struggle was the opening phase in the battle for the shorter working day !

Another issue to which consideration must be given before there can be any general advance is that of negotiating machinery and union rules which effectively hinder the swift action which is often necessary if victory is to be secured. Employers' organisations have become past masters in the art of delaying consideration of legitimate demands by manipulating the machinery. Often the unofficial strike provides the only answer, but the workers are well aware of the increased difficulties which confront them when they adopt this course.

* * * *

Clearly there are problems in the present situation which require the most careful consideration. The Trades Disputes Act of 1927 has never been fully tested in the courts. A joint demand in a large number of industries for a forty-hour week would almost certainly lead to action being taken under the Act. The legacy which Mr. Baldwin, who voices belief in trade unionism, has placed in the hands of his successors is one which must be taken into account. But realisation of the strength of the forces to be met does not mean retreat.

The demand for higher wages to meet the increased cost of living and to give to the workers a share in the capitalist boom is one of simple equity. The claim for shorter hours is fully borne out by the evidence of increased strain and higher output and by the experience of countries which have already adopted the reform. They constitute a programme upon which every industry is entitled to fight to the limit of its strength with the full support of the rest of the movement.

Action in the industrial sphere must obviously be co-ordinated with pressure for the same objects in the political field. Demands for the abolition of the Means Test and an improvement in the conditions of the unemployed should remain an integral part of the support given by the political side of the movement. Victory in any section of the trade union movement will thus give added strength to the campaign for the return of a Labour Government, pledged to bring about the reforms generally by legislation.

Time is short. Action must be swift before the shadow of the inevitable slump provides the excuse for a new attack by the other side.

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THE FIGHT OF THE ENGINEERS

By ARTHUR EDGAR UPTON

IN the spring of last year, when the world in general was struck by the stupendous arms plan of the National Government, the workers in the engineering industry immediately turned their attention to the problems which would confront them in the months ahead. Thousands who remembered the problems of the last world war recalled soaring prices and wages which lagged behind, and changes in workshop practice the aftermath of which is now a feature in the engineering industry. They remembered the Munitions Acts ; they remembered the industrial conscription and the " Derby " schemes. Throughout the country the workers were turning their attention to some form of resistance to the colossal waste of money involved in rearmament. Conferences were held in some towns, resolutions were adopted in many Trade Union branches, Executive Councils of Unions made pronouncements on policy in reference to plans for combating any encroachment upon the standard of living or working conditions arising from the speeding up, which may arise from the Arms Plan.

Knowing the temper of the workers engaged in the engineering industry, the Press eagerly awaited some official statement from the largest Union catering for engineering workers. Now the President of that Union, Mr. Little, certainly whetted the appetites of all concerned on the opening day of the meeting of the A.E.U. National Committee in June, 1936, by saying : " I shall have something to say later this week about the Government's White Paper on Defence, and I shall say something that will create a bit of a stir." (*Daily Herald*, June 2, 1936.) But in his warning to the Government and employers Mr. Little outlined the plans of the Executive Council in the event of a future war ; plans which no Government would hesitate to adopt in exchange for co-operation. He is reported to have said : " Had there been any effort on the part of the employers to seek that co-operation with the Union which the Government White Paper mentioned ? " (*Daily Herald*, June 5, 1936.) Perhaps the big " stir " came when Mr. Little pronounced the following : " The Government is relying on co-operation between the Trade Unions and the leaders of industry, but apparently the leaders of industry are doing much as they like with regard to the kind of labour they are using, without either co-operation or consultation with the Trade Unions."

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It is true that the employers do what they like. The trouble is that the A.E.U. Executive Council do not realise that the employers will do as they like until the workers decide otherwise, and when that time arrives conflict must ensue because class interests are at stake.

What amazes the working class is the ineptitude of the present leaders of the trade unions in the engineering industry to press home the supreme advantage which they now have. The reason why they have not obtained bigger wage advances, and the return of cuts made in 1931, may be due to the attitude of mind reflected by the A.E.U. General Secretary, Mr. F. A. Smith, who during the discussion on wages at the last National Committee meeting is reported to have said : " Nobody believed in taking advantage of a favourable position more than himself ; but they must take advantage tactfully. They had to remember that there might be a rebound when the employers had the opportunity." (*Daily Herald*, June 4, 1936.) " There might be a rebound ! " Such a statement from a General Secretary of a big Union is, in these days, almost unbelievable. Does Mr. Smith believe that if the engineering workers do not press for a bigger share of the surplus value created by them, and thereby get a higher standard of living, or do not demand the return of the cuts made in 1931 as their contribution towards the results of the crisis, that the engineering employers will decline to ask that a wage reduction should take place when the present arms racket has run its course ?

In July, 1936, Mr. Smith said : " We are emerging from a prolonged and acute crisis which has heavily depressed the group of engineering trades. The employers' offer is an indication that the crisis is over, and a genuine revival has begun. . . . When the time is ripe for further advances, our Executive Council will not be found to lack initiative." The Union had asked for 1½d. per hour increase, and the return of the 1931 working conditions in relation to night-shift, overtime and piece-work. But as " a genuine revival " had apparently only just manifested itself, the employers point-blank refused to grant the return of the 1931 conditions, and only offered 3s. per week increase in three instalments, to take place at three-monthly intervals.

It will not be out of place if we refer to capitalist sources to find out what they actually think of the signs of the " genuine revival " which began, according to the General Secretary of the Amalgamated Engineering Union, in the middle of 1936. *The Times* Trade and Engineering Supplement of May, 1936, in its annual analysis of Industrial Profits for 1935 stated that " the United Kingdom has entered the fourth year of industrial recovery. The rapid expansion of business activity in 1933 was followed by a temporary lull in 1934, but the pace began once more to increase in the spring of 1935. . . . . As was to be expected, the

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progress in recent years has been accomplished by a substantial improvement in the profitableness of enterprise, reflected in our customary analysis of the fortunes of important branches of activity." That these fortunes had grown considerably can be seen by the fact that the profits of 12 representative firms in heavy industry had increased from £290,000 in 1932 to £1,827,000 in 1935. The profits in a group of eleven firms in the Motor and Aeroplane industry had increased from £522,000 in 1932 to £1,913,000 in 1935.

An analysis in *The Times* Trade and Engineering Supplement of May, 1937, shows that: "Activity in the engineering industry has surpassed all previous records, while the shipbuilding industry, which was rather late in emerging from the depression is now well on the way to recovery. Rearmament has been an important factor in the marked expansion of activity and earnings in the metal industry." The results of twelve companies, with a share capital of £22,900,000 operating in the coal, iron and steel and engineering trades reflects the striking improvement in these trades since 1932. "The aggregate profits of the twelve concerns rose from £290,000 in 1932 to £442,000 in 1933, £1,086,000 in 1934, £1,827,000 in 1935, and £2,401,000 in the past year." The analysis of a group of eleven firms engaged in the motor and aeroplane industries reveal the fact that net profits had increased from £1,912,643 in 1935 to £2,220,879 in 1936. And who has benefited by the increased activity throughout the industry? *The Times* Trade and Engineering Supplement of May, 1937, again states that: "The fruits of prosperity have, in a large measure, been passed on to the shareholders," while we have it on the authority of the President of the A.E.U. "that during the last four or five years the working engineer has lost heavily in wages. It amounts to as much as £53,500 a week, taking into account the restitution of part of the cuts, but ignoring accumulated losses."

During the past year considerable unrest and mistrust of the Executives manifested itself throughout the engineering industry. This was apparent at the National Committee meeting of the Amalgamated Engineering Union, and it is worth while quoting the leading article which appeared in the *Daily Telegraph* of June 6, 1936:

> It is not the only humiliation which the engineers' leaders have had to endure this week. Like the leaders of the railwaymen, they have seen their advice on wages negotiations rejected with declarations of distrust. The time is at hand when those who have been entrusted with the responsibility of guiding the affairs of organised labour will have to choose whether they will stand by a rational and constitutional policy which they know is the only way to prosperity or submit to be the tools of extremists whose creed is violence, destruction and dictatorship. . . . .
>
> We are faced with a threat to press wage demands to a height which responsible leaders know cannot be granted. . . . The Amalgamated

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> Engineers conference declined this week to allow these negotiations to be carried on in a manner which the leaders believed to be in the best interests of the men. They were ordered to give an account of their efforts to an immediate conference of the National Committee.

True, they were ordered to report back to the National Committee, but what the *Telegraph* failed to state was the fact that when the Executive leaders did report back, they had finished the issue by accepting the proposals of the employers. No one will deny that "the men" were incensed by the action of the "leaders" and they "instructed the Executive Council that at the earliest possible opportunity they shall make an application of 3d. per hour increase in wages for our members and full restoration of the pre-June, 1931, conditions." Further resolutions instructed the Executive Council to continue the negotiations to merge the present war bonus on to wage rates, and they were also instructed to negotiate an Aircraft Agreement. The last two resolutions were carried unanimously, and the first with one against. In all 29 resolutions requiring attention by the Executive were adopted at this meeting.

The National Committee of this Union meets again this month and they will have to ask the Executive to give an account of the attention it has given to the 29 resolutions. The officials must know that they have been heavily criticised, for General Secretary Smith warns the members about being impatient: "Ours is no jerry-built edifice but an organisation handcuffed to a constitution with a coherent social objective. . . . No confused reasoning or insolent domination of a cantankerous minority will assist economic salvation. Let common sanity prevail as the best prelude." Nevertheless, the members of the Union will want to know what the Executive Council has done about the 29 resolutions.

A.E.U. members will be somewhat amazed to read in their *Journal* for May, 1937, that it was only on April 21, 1937, that it was decided to make an application to the employers for an increase in wages and thereby give effect to the resolutions of the National Committee of last June. Further consternation will be caused by the fact that the application is for an advance of 2d. per hour and not 3d. per hour, as laid down in the resolution of the National Committee. Among other things the National Committee will want to know what have the Executive done to give effect to the resolution which instructed them immediately to set in motion a nation-wide campaign to popularise the demands of the engineering workers, and what progress has been made for an agreement for aircraft workers.

There is no need for the Executive Council to lecture the engineering workers on "Loyalty, Discipline and Order," as they do in the *Journal*. The engineering workers throughout the last century have a glorious record of loyalty, discipline and order to the class to which they belong.

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It would do the members of the Executive Council and the other officials good to read again the history of the working class, especially the engineering workers. They should read of the London engineering workers who in 1836 conducted a strike for eight months, and successfully gained a TEN-HOUR DAY, time-and-a-quarter for the first two hours overtime, and time-and-a-half afterwards. The engineering workers are again back on these same overtime conditions—thanks to the "sacrifice" made in 1931.

In these days of almost unprecedented prosperity a "gentleman's agreement" exists on the wages question. The workers under the severe strain of modern production methods wish to break the "handcuffs" of class collaboration as pursued by the Executive Council, whereby "the fruits of prosperity have in a large measure, been passed on to the shareholders." Is this the time to issue instructions to the membership that "no circulars must be issued to branches without authority," or that "*no grants from the special branch funds must be made to finance unofficial disputes?*" Is this the time—because the workers employed at Vickers Ltd., Barrow, conduct a real working-class fight against the employment of non-union labour, and because in this fight the members cease to work overtime—for the Executive Council to suspend the District Committee of the Union in Barrow? Surely the Executive Council is "handcuffed" to a strange "social objective!!" They have failed to lead the engineering workers against the employers. They expel the Chairman of the London District Committee, C. V. Berridge, which pleased the Economic League. They threatened the London Shop Stewards with expulsion if they attended a Conference of Shop Stewards on February 6, 1937, organised for the purpose of (*a*) forming a National Shop Stewards' movement, and (*b*) "to find ways and means of compelling our Executive Council to officially recognise the numerous disputes now raging up and down the country." In the interest of loyalty the conference was called off!

Great unrest prevails in the aircraft industry, and the Aircraft Shop Stewards' Council has done a tremendous amount of organising work. Their paper, the *New Propellor*, has a circulation of 14,000 per month, and every man who works in this branch of engineering is aware of its usefulness. However, the employers don't like it, the Government hates it, the Economic League regards it as a Communist body—and the Executive Council of the Amalgamated Engineering Union states that any member associating himself with unofficial bodies . . . will be acting contrary to the best interests of the Union, and will be dealt with under Rule 21, *i.e.*, expulsion. Unfortunately for all reactionary elements concerned, all these threats will not break the National Council of Aircraft Shop Stewards.

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Engineering workers, who have led the working class in countless struggles will not stand the reactionary policy of the A.E.U. Executive Council for ever. If there is a division of opinion between the members of the Executive Council, the more quickly such differences are made known to the world the better it will be for the working class in general, and the engineering workers in particular.

The National Committee will do a singular service to the movement if it demands a halt to the policy of the Executive and calls for a fight against the National Government, for unity within the ranks of the working class, based on a policy of increased wages, holidays with pay, 40-hour working week, restriction of overtime, return of the 1931 conditions of employment, the organisation of women and young persons, an agreement for aircraft workers, and the amendment of the intolerable agreement for the avoidance of disputes.

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CHURCH "UNITY": WITH OR AGAINST THE PEOPLE?

By A CLERGYMAN

IN the political situation to-day, with the advance of the Unity Campaign and the drawing in of new forces of formerly unpolitical people, with the consequent widening of the whole basis of the anti-Fascist movement, it is important to give attention to certain forces which in spite of all are still powerful, and still must affect political calculations profoundly. These are the various religious bodies and perhaps primarily the established Church of England.

Certain factors in the religious situation are obvious to all. The somewhat undignified whirligigs of the Free Church leaders in their attempts last autumn to secure for themselves due participation in the Coronation raised many a smile. For us the significance of the incidents must be the desperate attempts on the part of the Anglicans to find some formula by which this could be done. Very considerable interest has been roused by the New Year political speech broadcast by the Archbishop of Canterbury under the guise of a "Recall to Religion." Again one of the most significant purposes of this was to make a new friendly move towards the "Free" Churches; and many have noted how favourable has been the response.

These matters are very far from being of purely "religious" interest; they are public acts of great importance; they are signs of a religious-political trend of many years which it now becomes vital to examine. For it is becoming increasingly clear that the Churches have now for some time been endeavouring to "heal their differences" and to close their ranks in face of a "common enemy." These months before the Coronation have been the occasion for an intensive campaign to rehabilitate the State religion and to link it up with the other religious bodies and with the "Recall to Religion" in such a way as to suggest the possible intention of utilising the Coronation "fervour" to establish a "religious-constitutional" form, peculiarly British, of development towards Fascism.

It becomes necessary, therefore, to go into the Church situation in a little more detail and for this a little historical retrospect is necessary. For our purpose we may take as a convenient date 1867, in which year the first Lambeth Conference met.

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This was a gathering of nearly 80 Anglican bishops from every part of the world for " mutual counsel on matters affecting the welfare of the Church at home and abroad." These conferences of Anglican bishops have met roughly at ten-year intervals ever since ; they have grown steadily in size and importance ; and they had not been in existence long before they found one of the major problems confronting them to be the " Reunion of Christendom." In 1888 the third conference laid down four requirements to which the Anglican Church considered it essential that other Churches should agree if Reunion was to be reached, and the Reunion movement began. During the years before the War, it was confined mainly to untrumpeted " conversations " between the Anglicans and other bodies at home and abroad. Not till after the War did the Reunion movement become important politically.

Among many opportunities for slander, calumny and misrepresentation the triumphant people of Russia gave one specially golden—the Anti-God Campaign, the civil disabilities for priests, the so-called " persecution of religion." The leaders of finance-capital laboured to close their ranks against the common enemy—the people—symbolised victorious by Soviet Russia ; and it was not long before the possibilities of using the Reunion movement were realised. That movement is to-day world wide. So soon after the War as the 1920 Lambeth Conference one of the four requirements for Reunion laid down in 1888 was so modified as to make easier the approach to non-episcopal churches. At that conference the credentials of the Lutheran Church of Sweden were approved in a qualified way and " friendly relations " between the Swedish and the Anglican Churches were established. Later, in 1931, inter-communion (or full recognition) with the " Old Catholic " Churches of Holland and Germany was established : " friendly relations " with the Finnish Church have been officially declared and the favourable result of " conversations " with the Roumanian (Orthodox) Church has recently been published.

Special importance attaches to the case of Finland as showing more clearly than most the political implications of the movement. There were many misgivings on the part of the Catholic party within the Church of England on ecclesiastical grounds ; it was widely doubted whether in fact the Finnish Church could be said to conform even approximately to the four requirements laid down ; it is noteworthy that the speech which turned the day in the lower house of Canterbury Convocation was mainly political. It has long been the policy of the Foreign Office to befriend the Finns. The negotiations with the Finnish Church took place at a time when our government was in specially friendly mood. We find that in the course of the speech referred to the Finnish Church was shown as a vital bulwark against " Godless Communism," the speaker at one moment of hysteria describing Soviet Russia succinctly, and quite

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sincerely, as "The Devil." It is perhaps worthy of note that the dignitary in question was at one time a member of the Labour Party and would even now describe himself as a radical and even as a Socialist.

In addition, several of the Free Church bodies have been engaged in "conversations" with the Anglican Church ; and very real efforts have been made to reach some agreement. Little concrete has yet been achieved ; but here again co-operation on particular occasions is common. We have only to remember how a Free Church Minister read the lesson at the Jubilee Service in St. Paul's ; the many occasions on which the Archbishop of Canterbury joins with the Moderator of the Church of Scotland, with the President of the Baptist Union and so on, to make pronouncements on public questions, disarmament or betting and gambling or the film censorship ; the annual death dance round our war memorials each November, when in most places there is a "joint service," to which quite often the local rabbi is also invited along with the Salvation Army.

What of the Roman Church ? Hitherto the official attitude has been and still remains a consistent assertion that Reunion can only be by assimilation—obedience to the Bishop of Rome. Yet, significant indeed, even here there is an easing of tension. The signs are small and few, but such as they are they seem to show a realisation by the Papal party of a weakening position and of a need for allies in the ultimate struggle. Last year, for instance, the Archbishop of Westminster joined the Archbishop of Canterbury in a pronouncement on Spain.

The Churches are labouring towards a United Front ; and, while many of the earnest rank and file regard it as an urgent need for the spread of religion and the welfare of men's souls, it is fast being transformed, to the sorrow of many, into a political front against the workers' republics in Russia and the Far East. What is the actual effect of this ? What have our Church leaders to say on vital public questions ? They are an extraordinarily varied lot of men ; their leadership seems often to be in every different direction at once ; there are some who are quite genuinely and openly for peace, anti-Fascist, anti-Imperialist, some even are to be found, *e.g.*, in the membership of the Friends of the Soviet Union ; yet the main trend of official teaching is summed up in the phrase "the Churches are concerned with men, not Policies." It is fairly widely admitted that the Christian must be concerned in social questions ; but he must be guided in them by his individual conscience. There is a very wide body of opinion which opposes this ; indeed, perhaps, it is the great majority. Unfortunately it is neither vocal nor powerful.

On the fringe of those who require the clergyman to "stick to his own business," there are those who offer general pronouncements on principles without applying them to concrete situations or applying them only in a 'balanced' way. What is the effect of these muddle-heads ?

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An interesting example is offered by the Archbishop of York, who was for years a member of the Labour Party, and has a very real social conscience. In a letter to his diocese last year he dealt with two concrete points—rearmament and Spain. First he gave a philosophical thesis on the right of a nation to rearm in a given situation ; as such it was wholly admirable and " intended " as support for collective security ; but in the event it was possible to quote it and it was widely so quoted in the reactionary Press, under the heading " Archbishop of York supports rearmament," the whole being used to support the National Government in its war drive. The second part of the letter, on Spain, was much shorter. While deploring " excess on both sides " and indulging in other qualifications it did condemn the rebellion against a democratic government. This part of the pronouncement was almost unanimously ignored by the Press.

When Church leaders who try to lead towards peace open their mouths the whip is cracked. The remarks of Mr. Duff Cooper on the Bishop of Birmingham's duty are notorious. It is not so widely known that the recent tendency for Bishops to support rearmament, to appeal for territorials, is a direct result of an earlier speech on the part of that bellicose tutor. Nor must it be thought that war and peace is the only subject on which Church leaders are to keep quiet or to say what they are told. Economic questions are equally beyond the sphere of the cloistered cleric. Business is the layman's job. " Parson's Finance " is a well-known term of abuse. The whole position was crystallised at the Autumn Session of the Church Assembly in November, when that body refused priority to a motion on the Factory Acts and was stampeded by the lay members into refusing to discuss rearmament. It is also of interest to note the absence of any strong defence of democracy in Spain and specially the complete collapse of the " Nonconformist conscience." The Pope apparently is no longer anti-Christ. The Spanish Catholics, it seems, are no longer the dupes of the mother of inquisition.

Such is the official united front of the Churches ; but as stated here its significance will be misunderstood without considering the fundamental contradictions of Church life in society (and specially in Britain) to-day. Those contradictions may be summed up as a struggle between Christianity and the Church.

Take as typical the theory of the position of the parish priest or district pastor. He is supposed to be one fearless to rebuke wrong living whether in high or low, one who will uphold the teachings of Christ on all occasions, succouring the sick and fallen, championing the weak, taking no thought for the morrow ; it is not a lowly conception. And in practice ? The position of the man is made dependent on his overlord or on the richer members of his congregation ; in some Churches he may in theory

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have a perpetual freehold, but for all that makes life worth living or work run smooth he is dependent ; he must not offend the rich farmer for fear of his tithe ; or he must keep one eye on the seat rents ; or he must collect enough money to satisfy his bishop : and to make assurance doubly sure the strictest watch is kept to see that " only the right type " of man gets into the ministry. In the same way throughout the Churches the fundamental religious instincts of the rank and file, clerical and lay, are subject to formal restrictions and to the presssure of official teaching. Among the results of the consequent conflicts are the various social work efforts with which the nonconformist and established churchgoer alike try to calm the conscience. So strong did the urge for social reform grow during the last century that in the Free Church Councils in particular social service became almost an official policy ; it began to be used, as it is to-day by officialdom, as an excuse for the *status quo*.

More recently the conflict has begun to breed a different and a healthier plant. Our pre-war Christian Socialists, warm-hearted but muddle-headed, were ineffective and sometimes dangerous. The younger men in the Churches to-day, the lesson of the War behind them, the success of the Russian people before them, the armies of Fascism and oppression menacing them, see more clearly how wide is the abyss between their Churches and their ideals. It is a factor not to be ignored that many young Christians, parsons and laymen, are turning to Communism as the true expression of their creed on this earth. Christian pacifism is a movement of the war generations ; the doctrine of non-violence seems to the younger men inconsistent with the vigorous militancy of the Master who cleansed the Temple. Though Dick Sheppard may claim his hundred thousand, left-wing politicians will do well to attach greater importance to the presence of an Anglican Priest among the speakers at a recent Trafalgar Square demonstration, to the willingness of another to take the chair at a meeting in aid of the Youth of Spain, to the declarations of the most eminent Roman Catholic sculptor in support of the Spanish people, to the participation of a contingent of clergy in the May Day procession this year.

A more dramatic sign was given at a recent meeting of clergy called by the Imperial Preferences Group to discuss the conditions at Merthyr. There the Tory vicar of Merthyr averred that had he been born in the place he would certainly have been a Communist, a remark which called forth cheers from many parts of the hall ; some half the clergy, led by a Stepney parson, revolted against the proposed milk and water resolution ; a colonial bishop stated publicly that he had voted Tory for the last time, and if the revolution came, " God bless it " ; and the meeting broke up in confusion.

Thus there are signs of a very real movement among the more clear sighted and younger Christians to face the true implications of their creed,

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to regard objectively the official teachings of their leaders. The prolonged struggle of the Churches in Germany is a pointer that the power of belief is still strong. There is not space here to pursue the fascinating study of that manifestation of the German little man's revolt against his master. It remains only to say that there is a possibility of a common front of the Churches' rank and file with the politically organised toilers which keen political youth must not ignore.

Plans for the formation of a Christian left paper are already being tentatively discussed. Its object will not only be to seek a formulated Christian conception of Socialism and perhaps revolution. It will need to lend its support in every way possible to the actual struggle of the masses, for example by supporting the demand for a youth charter, assisting the struggle of the unemployed, giving practical support to strikes. It should provide a commentary on the attitude of the Church in opposition to the Christian masses, taking an objective view of the actual effect of the well-intentioned muddle that issues from the mouths of many of the Church leaders ; the position of such bodies as the Christian Social Council needs reviewing ; the essential contradictions of such sentimental work as that of the Industrial Christian Fellowship require analysis. Thus such a paper may work towards the welding of a powerful and effective mass movement of church people to end the power of the Church as one of the chief reactionary forces at the disposal of the capitalist State.

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NEW ZEALAND'S FIRST LABOUR GOVERNMENT

By C. G. WATSON

A LABOUR Government holds office in New Zealand with the heavy majority of 55 seats in a House of 80 members. For the first time in the history of the British Empire there exists a Labour Government which is not a minority government, as in Britain, nor a Federal government sharing its authority with reactionary State governments, as in Australia. " Give Labour a chance " was the slogan most often heard during the election campaign of 1935. How is the New Zealand Labour Party using the chance given it by the election results ? That question concerns the militant workers of Great Britain, for they have to face and answer two kinds of propaganda : first, the savagely hostile attacks of reactionary newspapers ; secondly, the efforts of Transport House on the basis of New Zealand experience to give fresh currency to the illusions of reformism.

How was it possible for the Labour Party to capture this parliamentary majority in a country where the working class is numerically small ? New Zealand, the smallest of the British Dominions, is not highly industrialised ; of the total annual value of production something like 50 per cent. is represented by the dairy produce, meat and wool industries. There is no heavy industry, while secondary industries are comparatively weak and undeveloped. But the numerical smallness of the New Zealand working class has not prevented it from playing a most important political part in the life of the country for nearly fifty years. The maritime strike of 1890 preceded the rise to power of the liberal bourgeois governments of the following decade, and as the price for working-class support the Seddon government passed the first factory acts, legalising trade unionism and improving working conditions. With the standing of nine independent Labour candidates in 1905 and the return of one to the House in 1908 the Labour Party broke from its Liberal leading strings. In 1912-13 great strike battles were fought, directed against the compulsory arbitration system, under the leadership of the " Red " Federation of Labour, a militant trade union organisation, strongly influenced by the I.W.W. During the war years the Labour Party headed the fight against conscription and its leaders suffered jail for their activities. Indeed, the building up of a Labour Party and a trade union movement to the

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point of the formation of a Labour government is a powerful demonstration of the growing rôle of the working class in New Zealand. Not least of the indications of its increasing political maturity is the existence since 1928 of the Communist Party of New Zealand as an affiliated section of the Communist International, carrying on the fighting traditions of the Red Federation combined with the advanced theory and practice of Communism.

By itself the working class could not have achieved the labour victory at the elections of 1935 : it had to find allies among other sections of the population. For a number of years the Labour Party has held the main city seats in Parliament ; under the peculiar New Zealand voting system with its " country quota " the elections are heavily weighted in favour of the country population, and previously these electorates had remained impregnable to Labour attack. In the 1935 elections for the first time Labour candidates were returned from such typically farming constituencies as Rangitikei, and Labour Party organisation is now spreading rapidly in the countryside.

The reactionary capitalist governments of the war and post-war period liked to be considered as " farmers' governments." They ruled on the basis of the division of the working population of town and country. In 1913 farmers had been mobilised by the ship-owners and the Massey government to break the general strike initiated by the watersiders. The scars of that clash went deep, and as long as the division could be maintained, reaction felt itself safe. But the conception of the farmers as an undifferentiated mass, with interests completely hostile to those of the city workers, was bound to come into conflict with the actualities of developing capitalism in New Zealand—the division of interests between wealthy squatter and hard-up " cocky," the tightening grasp of the mortgagee, the banks and the stock and station agents over the land.

After a succession of " farmers' governments," the life of the average farmer in New Zealand is one of exhausting labour, both for himself and his family, from daylight to dark, perpetual economic insecurity and a crushing load of debt. For between 1900 and 1929 the total mortgage indebtedness on land had risen steadily from £35 millions to £225 millions, and of the latter £125 millions represented mortgages on country lands. The small farmer might nominally be the owner of his land : in reality he was the badly paid and abominably treated employee of the Associated Banks, Dalgety's, Wright Stephenson and the wealthy companies and mortgagees. Sooner or later he must realise that governments which were the friends and instruments of these big interests, though they spoke in his name, were not his governments.

It was not only among the farmers that the Labour Party looked for support in the elections. *National Review*, semi-official organ of the

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Manufacturers' Association, has this interesting admission in an editorial on "Safeguarding Our Industries" (January, 1937): "Many people voted for Labour as the only hope of developing an industrial policy here which would give us a more profitable, diversified and balanced production of wealth, instead of relying so disastrously on grass products for export as the mainstay of the country." The powerful influence exercised by British imperialism over New Zealand economy and its maintenance as a specially favoured market for British goods have hampered the development of the New Zealand manufacturing class and made them within the narrow limits of their own self-interest hostile to the policy of previous governments.

The world economic crisis of 1929 and the accompanying catastrophic slump in the prices of agricultural products hit New Zealand with devastating force. The index number of dairy produce prices tumbled from 146 in 1929 to 77 in 1934, of wool from 171 in 1929 to 63 in 1932. A tragic picture of the effects of the crisis on the dairy industry is given in the report of the Government Dairy Commission set up in 1934. It estimated that at least 50 per cent. of New Zealand dairy farmers were unable to meet financial commitments incurred in a period of rising prices, soaring land values and a mounting total of mortgage indebtedness. It summed up: "The conditions confronting the N.Z. Dairy Industry have assumed the proportions of a national crisis."

The reactionary Coates-Forbes Coalition Government which was formed from the two main bourgeois parties in September, 1931, closely after the formation of the British National Government, hastened to meet this crisis along lines acceptable to British imperialism. Its first consideration was the meeting of the interest payments on the huge sum of £159 millions of Government debt domiciled in London. Owing to the slump in the prices of New Zealand's main exports, the percentage of exports required to meet the already oppressive interest payments had doubled. A number of measures were taken to force up exports. Agricultural exports were heavily subsidised and the big farm finance companies saved from bankruptcy by the raising of the exchange rate with sterling. Trade agreements were negotiated with Great Britain, at the price of still further lowering the already low tariff on British goods. And, of course, the first and essential point of attack for the Coalition Government was the wages and conditions of the working class. The Arbitration Court was instructed to reduce all wages covered by awards and agreements by ten per cent., and was then shorn of its compulsory powers in order to set the hands of the employers free for a wild attack on wages and conditions. Through the wages tax and unemployment levy the working-class was made to bear the lion's share of the cost of unemployment relief.

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Inevitably this policy, which coincided in the main with that of British imperialism, accentuated the existing discontent and drove together into the one camp of opposition to the Coalition wide sections of the population, in spite of frequently divergent and contradictory interests. In November, 1935, all these dissatisfied elements, the unemployed, the workers who had had their wages cut and conditions worsened, bankrupted farmers and shop-keepers, manufacturers opposed to Ottawa, friends of peace and democracy, voted to put an end to the Coates-Forbes Government and replace it by the only immediately realisable alternative, a Labour Government. In the election programme of the Labour Party there was an appeal to all the discontented. To the workers it promised restoration of wage cuts and a statutory minimum wage ; to the farmers mortgage adjustment and a price for their products guaranteed against the fluctuation of the overseas market ; to the manufacturers' protection of secondary industries ; to the ruined petit-bourgeois who saw his enemy in the withholding of bank credit, State control of the central credit system. Its victory was decisive. Such a Government could not be popular with the forces of native reaction and of British imperialism. However, fervidly the leadership of the Labour Party might swear allegiance to the British Empire and send its representatives to the Coronation, the City knew that new forces were stirring in New Zealand and that the Labour Government must move with them. Hence its anxiety.

Coming into being as a result of the forward movement of the masses, insistently demanding real relief from their sufferings under the Coalition régime, the Labour Government has in fact already carried out a considerable part of its programme and effected a real improvement in the conditions of the workers and working farmers. Wage and pension cuts were restored ; unemployment relief substantially increased ; the 40-hour week instituted for wide sections of the workers ; a guaranteed price for dairy produce was established ; provision made for the reduction of mortgage debts : for the first time in N.Z. history a minimum wage for labour on dairy farms was established ; the Government assumed complete control of the central credit system and took wide powers over the trading banks ; the Mau (Samoan nationalist organisation) was given legal recognition ; many democratic rights were restored ; and at Geneva the Labour High Commissioner, Mr. Jordan, sided with the Soviet Union on the issue of the attempted exclusion of Abyssinia, to the obvious disapproval of Mr. Anthony Eden. To some extent the upward movement of agricultural prices, particularly of wool which the imperialist powers, including Japan and Germany, are buying heavily for war purposes, is assisting the Labour Government, but for the main reason one must look to the powerful forward movement of the workers.

A typical example is the struggle around the question of the 40-hour week. Early speeches of Labour Ministers led the workers to believe

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that the promised 40-hour week would be made universal and mandatory on all employers by direct legislation. Employers' organisations, the Press, the reactionary National Party raised a vigorous campaign against the 40-hour week. The Government compromised by entrusting the power to decide in what industries the 40-hour week was "practicable," to the newly reconstituted Arbitration Court ; here the casting vote lies with Mr. Justice Page, notorious for his savage sentences on militant workers, following the 1932 unemployed demonstrations. The 40-hour week was refused by the Court to workers in such wealthy industries as gold-mining, freezing and newspaper printing. Strikes and demonstrations flared up. Trade unions and Labour Party branches insistently protested to the Government against the actions of the Arbitration Court. As a result, Mr. Armstrong, Minister of Labour, was obliged to state in September of last year, only three months after the passing of the Act, that "when the Arbitration Court has finished its work, say in a year's time, if any industries have been refused the 40-hour week that ought to have received it, that can be remedied by Act of Parliament *without reference to the Court.*"

Another instance is to be found in the non-application of the clauses in the new Arbitration Act, restoring the heavy penalties for strikes directed against decisions of the Court. In the House, at the time of the passing of the bill, Mr. Armstrong assured reactionary spokesmen that these clauses would be applied against the workers. But actually the number of strikes has increased, and the overwhelming majority of them are directed against the decisions of Mr. Justice Page and his Arbitration Court. Twice the Minister of Labour has threatened to take legal proceedings against Union secretaries whose members were on strike and against striking workers ; twice he retreated when confronted with the real grievances and the militancy of the workers. Not only are the workers striking and winning their demands, but they are adopting new methods, as was shown in the historic stay-in strike of 1,500 Auckland freezing-workers against a decision of the Arbitration Court at the beginning of this year. In complete order and discipline they occupied the works, sleeping in and allowing nobody to enter or leave without the permission of the strike committee, and finally forced Ministerial intervention to revise the conditions established by the Court and upheld by the employers.

Right-wing tendencies in the Government, of extreme danger for the future, are indicated by their toleration of a man like Semple, Minister of Public Works, whose periodical outbursts against "Communism" and "Communists" as the "enemies of mankind and would-be wreckers of the nation" combined with his fervid praises of the British Empire and the British Monarchy as the "sheet-anchor of civilisation" have

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disgusted all honest workers in the Labour movement. It is shown in the almost complete silence of the leadership of the Government and the Labour Party on the issue of Spain, at a time when aid for Spanish democracy is stirring the whole Labour and trade union movement as no campaign of international solidarity ever has before. Such tendencies only assist the gathering offensive of reaction against the Labour Government which is becoming increasingly menacing.

Day in, day out, the wealthy press is carrying on a campaign of incitement against the Labour Government. Employers and reactionary State officials use every means to sabotage the carrying out of the new social legislation. The leader of the National Party, Adam Hamilton, Minister of Labour in the Coates-Forbes Government, appeals for a "united front" to fight Labour. An organisation called the "Defence League," which the alleged object of organising public opinion for the defence of New Zealand against foreign aggression, is displaying a suspicious concern in enrolling the services of military-minded young men. The defeat of the Labour Government could only mean its replacement by a government of the blackest reaction and a willing tool of the British "National" Government. The whole Labour movement needs to unite its forces in defence of the Labour Government, not because it is the instrument for the emancipation of the working-class and the building of socialism, but because its existence means a weakening of the forces of reaction and a strengthening of the international peace front. But it also has to be emphasised that the Government can maintain its position only if it takes really decisive steps to meet the immediate needs of the workers and working farmers, if it vigorously checks the activities of its enemies, if it lines up consistently with the forces making for peace on a world scale, and in the first place the Soviet Union.

Only a united working-class movement, gathering to its side the exploited farmers and the discontented middle classes of the towns, can successfully carry through the fight for the defence of the Labour Government against reaction. Unity in the Labour movement, which necessarily includes the affiliation of the Communist Party to the Labour Party, is the most urgent need of the moment. Though small, the Communist Party has an honourable record in the struggle against the Coates-Forbes Government, many of its leaders suffering prison sentences ; to-day, it is purging itself of the sectarian mistakes of its past and considerably developing its influence in the trade unions. Its affiliation would bring more than numbers to the Labour Party ; it would mean an accession of fighting strength and understanding to the whole movement.

That the workers are looking for effective unity is shown in the development of the trade union position. The trade union movement, which is big and highly organised, is seriously split. Most of the craft unions

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are affiliated to the Trades and Labour Councils Federation, while the bigger industrial unions are grouped in the Alliance of Labour. This position was still further complicated last year by a split in the Alliance itself, and the development of faction fight between the leaders of the two sections of the Alliance. But the workers in the trade unions want unity and a single national trade union centre. The Miners' National Council, itself affiliated to none of the three rival bodies, passed a resolution calling for them to take the necessary steps for the organisation of a national all-in trade union congress, failing which it would itself take the initiative. Other unions joined in the demand, and at the time of writing the prospects for the formation of a single national trade union centre are extremely good.

It is inevitable that the more the unity of the working class grows in New Zealand, the more it consolidates an alliance with the small and middle farmers and middle class of the towns, the more energetically the defence of peace is carried on, there will come from British imperialism new efforts to secure the downfall of the Labour Government. Indeed, the measures which are already being employed to bring it to heel—the attacks in such papers as the *Evening Standard* with their deliberate attempt to sow financial panic, the hostile outbursts of Lord Elibank and other delegates to the Imperial Chambers of Commerce Conference in Wellington last year, the action of the shipping companies in raising their freights on New Zealand produce—these are only an indication of the weapons that will be used. In its armaments programme the reactionary British Government needs the willing acquiescence of all the Dominions governments, and both at the Coronation and the succeeding Imperial Conference every effort has been made to bind New Zealand still closer to British imperialism. To meet its powerful enemy the New Zealand working-class needs the active understanding and support of the British Labour movement. Now is the time to bind closer the common front against the common enemy.

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BOOK REVIEWS

HOW NOT TO WRITE COMMUNIST HISTORY.

The British Communist Party : a Short History by Tom Bell. (Lawrence and Wishart.) 1s. 200 pp.

HERE is a supreme example of How Not to Write Working-class History ; and it suggests the need for a very different appreciation of the political and literary approach required for such historical tasks. If that different appreciation can now be achieved the unfortunate affair of this *History* will have done some good.

A strong case can be made out against the whole conception of a *separate* History of the Communist Party at this stage. It may be argued, and I think justly, that to isolate the story of the Communist Party from that of the British Labour Movement as a whole inevitably implies a narrow, sectarian approach at a time when a diametrically opposite attitude is acutely felt to be essential.

Leaving this on one side, however, it may still be conceded that a History of the Communist Party could have been of value if it had followed the normal lines of Marxist historical writing. What are those lines ? First, that a historical study should have a coherent plan, showing plainly the political development of the period covered ; second, that in dealing with political events in which the writer himself has participated, especial care should be taken to avoid subjective appreciations and to cultivate a self-critical approach ; third, that every fact cited should be absolutely accurate, ascertained and checked according to the most exacting canons of research and scholarship.

Comrade Bell's *History* follows none of these lines. It entirely lacks any plan. Its nine chapters are not headed, so there is not even a table of contents to guide one. A quarter of the whole book is devoted to the historical background *before* the foundation of the Party. Rather more than another quarter takes us through the first seven years of the Party's life. The last ten years, forming the most decisive and important period for present consideration, are dismissed in less than one-third of the book. This lack of balance and proportion has grotesque effects ; important events in internal Party history are slurred over (the Party Commission of 1922) or omitted altogether (the Communist International's resolution of June, 1926, following the General Strike) while pages upon pages are given, for instance, to a biography of Mosley (!) or to the formal details of the League of Nations Union Peace Ballot. Although the book was not published till the spring of 1937 the story finishes at the beginning of 1936. Spain and the Unity Campaign are not mentioned. Altogether the careless and incoherent construction of the book, whose narrative rambles inconsequentially backward and forward, entirely lacking any normal systematic presentation, leaves the reader dazed. Sometimes it leads to absurd errors, *e.g.*, after a description of the world economic crisis which began " in the second half of 1929," and whose further development in 1930 is described, it is then stated that " In May, 1929, under pressure of the crisis the General Election took place." Similarly : " In 1915 the National Guilds League was formed. Thus we had for a time building guilds," etc. The productive guilds were not established until after the war, in 1919-20.

What of the second line ? Here it has to be said that Comrade Bell shows himself utterly subjective and (in the proper Marxist sense of the word)

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unprincipled. In the over-lengthy introductory account of the movement's previous political development one is only too painfully conscious of the fact that the writer is an old-time revolutionary sectarian who has never decisively broken with his evil old traditions. He opens with the famous quotation from Engels on the bourgeois corruption of the British working class (and displays it in italics) but conceals Engels' encouraging analysis and leadership of the movement as it fought to shake off bourgeois corruption in the formative period of the '80s and '90s. Any serious exposition of the part played and errors committed by the Social Democratic Federation and its successor the British Socialist Party is entirely lacking. Comrade Bell can note baldly the withdrawal in 1901 of the S.D.F. from the recently formed Labour Party and yet avoid giving any political appreciation of this piece of crass sectarianism. On the other hand, disproportionate space is given to the Socialist Labour Party (of which Comrade Bell was a leader) ; the ideas of De Leon are discussed, but the basic criticism of De Leonism, of the " yellow sectarian streak " noted by Lenin, is missing. The effect is highly disingenuous, to say the least.

In this connection we note that while the author rightly sees two main crises in the history of the Communist Party, 1922-3 and 1927-9, he fails to bring out their significance. The 1922-3 crisis appears as mainly a question of transforming the federal structure and internal organisation of the party. The real significance of the fight to bring the party on to the basis of organised mass work, which was expressed in the Report of the Party Commission of 1922, is lost. In consequence the significance of the transformation of the party organ from a sectarian propaganda sheet to the *Workers' Weekly* as a part of this process is also lost ; and the increase of Party representation in Trade Union and Labour Party Conferences goes unrecorded. The subsequent building of the Minority Movement on the basis of this work appears, not as a growth and development of the movement in Britain, but as a decision in the air in Moscow.

Similarly the 1927-9 crisis, the fight for the Party's political independence, is actually distorted from the historical order of events in such a way as again to perpetuate " Orders from Moscow " myths. The Ninth Plenum of the E.C.C.I., which met in the beginning of 1928, is described first, and the division in the Central Committee is described as following it. In fact, the division in the Central Committee between the majority (of which Comrade Bell was very obdurately one) and the minority took place at the end of 1927 before the Ninth Plenum. The minority Dutt-Pollitt thesis, which is stated to have " supported the resolution of the Plenum," was on the contrary one of the documents submitted to the Plenum, on the basis of which the final decisions were reached. The fight for the publication of a daily paper is distorted by phrases like this—" In January, 1930, the *Daily Worker*, on the publishing of which the Communist International had been insisting *for ten years*, was finally launched." That insistence (and a very proper insistence too, as events have since proved) did *not* go back ten years. It went back three and a half years—to that E.C.C.I. resolution of 1926 which, as already noted, Comrade Bell ignores.

Now what of the third line—scrupulous attention to accuracy ? Here we soar into the realms of phantasmagoria ; for unhappily the book teems with gross and patent errors of fact so glaring, so illiterate, that even a schoolboy or a journalist could easily discredit the whole work by reciting some of the more comic flights of Comrade Bell's factual fancy. Simple things like dates, names of people, titles of organisations, have all gone awry, indicating a lack

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of the most elementary care in checking references. The first T.U.C. is dated 1861 (it should be 1868). Lloyd George's Limehouse speeches " in the '90s " (it should be 1909-10), a " *Union* of Transport Workers " appears in 1911 (it should be Transport Workers' *Federation*), we are told of a non-existent East End municipality of " Stepney Green," the Cawnpore " conspiracy " trial of 1924 in India is located in Calcutta, one Yexley, an Admiralty agent during the war, is presented as a " naval officer " (he never was), the Soviet Trade Delegation in London is equated with Arcos Ltd. (an error more in the line of the *Morning Post*), while the Executive *Committee* of the Communist International is throughout unaccountably miscalled the Executive *Council*. So thick and fast do the errors fall that for simplicity's sake it will be better to exhibit a selection of them in tabular form :—

WHAT BELL SAYS.	THE FACTS.
" Henderson . . . had already been to *Soviet Russia*, and it would not be difficult for him to realise what Bolshevism meant in England." (p. 67).	Henderson's only visit to Russia was paid in the summer of 1917 (as Bell himself reports on an earlier page), *before* the Soviet Revolution.
" The principal slogan of the Party was : ' Watch your Leaders ; it's your wages they want.' " (p. 74).	These were of course two quite separate slogans—" Watch your leaders," a warning against the reformists ; the other intended to arouse the workers against the capitalist offensive, and preceding the first in time of issue.
" At the elections, early in 1923 " Communist candidates included " Stewart (Dundee) " (p. 86).	There were no elections " early in 1923." Stewart was not the Party candidate at Dundee either in 1922 or 1923. Gallacher was.
" The shooting of the 26 Baku Commissars by the directions of ' *Tige* ' Jones." (p. 87).	No : it was not a blood-thirsty nickname. The British officer in question was named Major *Teague-Jones*.
In 1924 " when the Labour Government took office it dropped the question . . . of legalising the seven-hour day (in coal mines)." (p. 92).	The seven-hour day had already been legalised five years before, by the Act of 1919.
" The Home Office ordered the arrest of Tom Mann and Harry Pollitt (in 1934) under a thirteenth century Act, for ' inciting to mutiny.' " (p. 153).	In 1934 Mann and Pollitt were charged under the Incitement to Mutiny Act of 1797. The case is confused with the charge against Mann in 1932 under the Act of Edward III. (who reigned in the fourteenth, *not* the thirteenth, century).
" The Government . . . was obliged to make a number of small concessions " to the unemployed following the Hunger March of 1934. (p. 154).	The Government was forced to make the *large* concession of the restoration of the cuts in benefit (not mentioned !)

This melancholy table might be almost indefinitely prolonged. It could be paralleled by an equally remarkable list of errors of omission. Here it must suffice to note how distortion of facts marches with Comrade Bell's own erroneous and sectarian political attitude. Take Lenin's famous letter of August, 1921, to Bell himself, outlining Lenin's own view of the tasks immediately ahead of the British Party, following the receipt of the news that the South Wales Miners' Federation had decided to affiliate to the Red International of Labour Unions. Incredible though it may seem, Comrade Bell refrains from quoting this letter at all and instead gives a purported paraphrase which on vital points directly distorts Lenin's words (*written to Bell himself !*).

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Thus, Comrade Bell writes :—" As an acid test of the South Wales Miners' sincerity in wishing to become affiliated to the R.I.L.U., Lenin proposed that *they* should establish a (daily) paper of their own which should not be too revolutionary, that is it should be prepared in such a way as to be acceptable to the more backward masses of the Welsh miners." (p. 77). The text of Lenin's letter makes it clear that it was the *Communist Party's* task to establish this daily paper in South Wales, and that to do so was the acid test of the *Party's* genuineness as much as of that of the miners. The paper should not be too revolutionary, not for Bell's imagined reason, but to *avoid repression by the Government.**

Further, Comrade Bell is silent on the concealment of this classic letter from the Party for many years, on the fact that the Party leadership ignored Lenin's advice and paid scant attention to the South Wales miners' decision. Indeed, he finds it necessary not only to distort Lenin but implicitly to oppose Lenin's analysis by minimising the importance of the South Wales decision (" not supported by genuine Party-influenced miners. It rather represented a sentiment of the times," etc., etc.).

To the Bolshevik the fact that the " sentiment of the times " is flowing in his direction spurs him on to give consciousness and depth to that sentiment, making it a lever for leadership. To the sectarian, disdaining the wide, elemental movement of the masses which he does not seek to understand, only the actions of the select few who accept his dogma (the " genuine Party-influenced " people) are of any consequence. And this is not the only instance of Comrade Bell's sectarian contempt for workers who have not yet seen the light. Of the Clyde movement towards the Forty-Hour strike of 1919, he writes :—" *No doubt* the trades councils and the lower strata of the trade union officials realised that the strike movement had grown beyond their control and *therefore* they felt obliged to identify themselves with it " (p. 45 : my italics). I know of no historical justification for such an interpretation in this case ; but it typifies the rotten sectarian suspicion of everyone else's motives that has for half a century had such disastrous effects on our movement in this country.

Comrade Bell finds an easy refuge in phrases like " no doubt," " there can be no question that . . . ," " it goes without saying," to introduce dogmatic statements which actually need argument and fact to back them if they are to convince anybody. Someone once said that it is a lot easier to sit around in the shade prefacing dogmatic statements with " it goes without saying," rather than to sweat in the sun gathering facts to drive home an argument. There can hardly be any doubt, though, that the latter course is the only one that can commend itself to any Marxist writer.

Most grave at the present time is the fact that this sectarian laziness of Comrade Bell's leads him to repeat the old error of liberally sprinkling the epithets " reformist," " opportunist," " black treachery," " obvious demagogy," etc., etc., over our opponents in the movement, *instead of* carefully marshalling fact and argument (then the epithets can take care of themselves). Nothing is more likely to do the gravest disservice to the Unity Campaign, to repel many people who are now more than ever accessible to our message, than this kind of irresponsibility.

I have left to the end any consideration of the literary shortcomings of Comrade Bell's book. They are many ; the use of jargon, slipshod, involved

* See the full text of the letter in *Lenin on Britain*, pp. 271-273.

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and ambiguous sentences, phrases that are just not English, combine in a stodgy style that is a misery to read—that many studious comrades to my knowledge have found entirely unreadable. Now this is a serious matter which also has its definitely political angle. For if Marxist writing is unreadable, repulsive, how can we hope to make Marxists? Is it an accident that our leaders have always been distinguished for their style—the liveliness and vigour of Marx himself, the ease and brilliance of Engels, the pungent homeliness of Lenin, the simplicity and clarity of Stalin? And the case of James Connolly (for one) shows that a working man can become a master of style, despite early educational disabilities. Many a Chartist working man, too, could have given Comrade Bell a salutary lesson in how to write plain, clear, inspiring English. Let us realise that contempt for style implies contempt for the reader; it is, in short, another aspect of sectarianism.

ALLEN HUTT.

IRELAND'S FIGHT FOR FREEDOM.

The Irish Republic. By Dorothy Macardle. (Gollancz). 25s. 1,072 pp. 5 ill.

JUST now, when the people of Britain are recovering from an orgy of Coronationitis, during which, the integrity, democracy, humanity and one big happy family feeling of the Mighty Empire have been thrown at us from all sides, the compulsory reading of this book would be a good antidote. Few Englishmen have any idea of the imperialist rôle of Britain in Ireland, India, and elsewhere. Here is an opportunity at least to begin understanding the feelings of the millions who are struggling to break the chains binding them to the Empire.

What a lesson in democracy! On August 4th, 1913, Captain Craig (now Lord Craigavon, Premier of Northern Ireland) wrote: "We may look for Home Rule in May, Civil War in June, the Union Jack being hauled down and trampled upon in July, and the smash up of the Empire in August." Sir Edward Carson, the great Patriot (!), speaking on September 7th, 1913, to his Anti-Home Rule Ulster Volunteers said, "Drilling is illegal . . . . the Volunteers are illegal and the Government knows they are illegal, and the Government dare not interfere with them . . . . Don't be afraid of illegalities." In the middle of August he lunched with the Kaiser at Hamburg, following which an inspired article in the Ulster *Irish Churchman* declared: "We have the offer of aid from a powerful Continental Monarch who, if Home Rule is forced. . . . is prepared to send an army sufficient to release England of any further trouble in Ireland by attaching it to his domain . . . . and should our King sign the Home Rule Bill, the Protestants of Ireland will welcome this Continental deliverer as their forefathers under similar circumstances did once before."

Miss Macardle tells all this and more. She shows the Conservative rulers of Britain, thwarting the will of the people through the Curragh Mutiny, when they advocated open rebellion against the constitutionally elected Parliament. Dealing with the events leading up to, during and immediately after the Irish Rising of 1916, the author shows the careful preparations and the waverings of the leaders, with the exception of James Connolly and his immediate associates. She records that Sean T. O'Kelly, present Vice-President of the

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Irish Free State said that " James Connolly supplied the driving force. As well as being a man of brains and highly cultivated intelligence, he was in everything a man of action. If it were not for the insistence of Connolly, the Rising might not have taken place just exactly at that time."

In this section Miss Macardle, without saying so, confirms the terse summary of the situation made in the Manifesto of the Irish Communist Party at its inaugural Conference in June, 1933 : " It was the workers' army led by Socialists like Connolly, representing the class conscious workers of the capital which constituted the vanguard of the insurrection. It was the representatives of the bourgeoisie, the wing led by Griffith, MacNeill and Hobson, which betrayed the insurrectionary movement on the very eve of the uprising."

The fact that Miss Macardle is not yet a Marxist and that her book, valuable though it is, does not give the full history of the period, digging beneath the surface and showing the economic and social causes, is brought out here where she says " that any plan such as that followed in Dublin was foredoomed to failure, Irishmen learned by the costly experience of Easter Week."

Contrast Lenin's estimate, showing the Marxist approach to the same question:

> The misfortune of the Irish is that they rose prematurely when the European revolt of the proletariat had not yet matured. Capitalism is not so harmoniously built that the various springs of rebellion can immediately merge into one of their own accord, without reverses and defeats. On the contrary, the very fact that revolts break out at different times and in different places and are of different kinds assumes wide scope and depth to the general movement. Only in revolutionary movements which are often premature, partial, sporadic, and therefore, unsuccessful, will the masses gain experience, acquire knowledge, gather strength, get to know their real leaders, the Socialist proletarians, and in that way prepare for the general onslaught.

From here, through the Black and Tan War, the signing of the Treaty and onwards, Miss Macardle gives an authentic record of the heroism of the revolutionaries, brutality of the Black and Tans, unscrupulous and hypocritical actions of the British Government and treachery of certain of the Irish leaders. Irish Labour played its part in the struggles side by side with the Nationalist revolutionaries. But at critical times the magnitude of the loss of Connolly, with his Socialist outlook and clarity, are repeatedly seen. Labour followed on the heel of nationalism, and not as a co-equal partner driving the movement forward as it did in 1916.

Miss Macardle gives a fascinating account of the negotiations and the signing of the Treaty, all the time stressing the rôle of the individuals to whom the rights and wrongs of the various actions are attributed. She fails to see that " the 1921 betrayal was no accident of individual leaders being bribed or bought by the British. It was the inevitable outcome of a struggle in which the leadership was in the hands of a class who feared that the complete triumph of the National Independence Movement would not halt at national separation but would develop into a social revolution, resulting in the overthrow of the Irish capitalist class and the establishment of a Workers and Farmers Socialist Republic." (Manifesto of the Communist Party of Ireland, 1933).

This book is, all criticisms apart, invaluable for a study of the Irish Rebellion. Its careful documentation make it essential for every student of a vital question.

PAT DEVINE.

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CRISIS-CURERS.

The Prevention of Future Crises in the World Economic System. By Robert Bosch. (Constable.) 1s. 6d.

Abolish Slumps. By A. W. Knight. (P. S. King.) 6s.

THESE two books both tackle the same problem. The first author is head of the famous German electrical firm which bears his name, and the book appears to be a pre-Nazi production. The main plea of the author is for shorter hours of labour and unrestricted free trade between nations coupled with a system of cartels within each country. He especially deplores economic nationalism, which sounds rather ludicrous bearing in mind the economic policy of Nazi Germany to-day. There is no attempt to argue out a reasoned case to defend his position, but simply a series of pious hopes strung together.

The approach of the second author is entirely different even though his aim is similar to Herr Bosch. Mr. Knight has very painstakingly analysed large masses of material, much of which he presents in a re-worked form to support his arguments. Even although one may not agree with the conclusions he draws, nevertheless some of the factual material on distribution of incomes, productivity of labour, wages, rates of investment, etc., would be very valuable in the hands of a Marxist.

Briefly his argument is as follows: the total of prices of all commodities produced in a given year equals the sum total of all incomes, whether these incomes are wages, salaries, rent, interest or profit. If a section of the total income remains unspent a corresponding portion of commodities will remain unsold, the threatening crisis will be met by economies which will further reduce incomes and thereby the measures to avoid the crisis actually precipitate it. He further claims that it is the spending of the " Unsuccessful " from their savings which begins to increase demand for consumers' goods at the bottom of the slump and it is this spending which once more sets demand for consumers' goods going on a higher level and once more leads to prosperity. This group to whom Mr. Knight gives the humorous title of " unsuccessful " are people who in a depression are " forced to spend money they could not obtain from incomes. They had to sell securities or deplete bank balances in order to maintain themselves while they struggled to obtain another income." (p. 10.) Mr. Knight sees the lack of proportion between the production of means of production and the production of means of consumption, but has seized upon these symptoms which express the crisis, and deals with them as though these symptoms were themselves the cause of the crisis.

Mr. Knight sees that a certain increase in the demand for consumption goods takes place after the bottom of the depression is reached, but when he attributes this to the spending of the " unsuccessful " he is wrong. It is the workers employed in producing new means of production which supply this demand, because they are consumers while at the same time the machines they are constructing have not yet become productive. Mr. Knight is wrong in two ways when he attributes crises to the saving on the part of the middle classes: (1) " Saved " money is usually put in the bank and is used by the bank for investment and in this sense is spent. Mr. Knight is wrong in counter-posing investment to saving in this fashion. (2) Even though the middle class man saves during the prosperity period he will still be spending on the average more on consumption goods out of his income than he spends out of his savings when he has joined the ranks of the " unsuccessful " and is not in possession of a current

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income. Therefore the spendings of the " unsuccessful " during the depression must be smaller than their spendings during the boom when they were among the " successful."

T. CAMPBELL.

MEN OF GOODWILL.

What Science Stands For. By Sir J. B. Orr; Professor A. V. Hill; Professor J. C. Philip; Sir Richard Gregory; Sir Daniel Hall; Professor L. Hogben. (Allen and Unwin). 5s.

THIS is a reprint of seven lectures by prominent scientists, six delivered at the 1936 (Blackpool) meeting of the British Association for the Advancement of Science, the seventh being a radio talk by Professor Hill. Probably not since the days of Thomas Huxley and John Tyndall have scientists as a whole been so conscious of the impact of scientific developments and knowledge on social welfare. This has been increasingly shown at the annual meetings of the British Association, and these seven lectures reflect the growing social consciousness of outstanding English men of science.

All the contributors agree about the social necessity of science and its essential humanism; all are concerned to defend science from the charges of responsibility for economic upheavals and for adding horrors to war; all eagerly paint pictures of what science could do, of what its potentialities already offer for general human betterment. And thereabouts they all stop; baffled by the " problem " of how to get a scientific, rational, solution of all these questions worked out in practice.

None of them, apparently, sees the simple but fundamental fact that so long as there is private ownership of the means of production there cannot be any solution to the problems which confront them in the *social* application of science, that there cannot be any general application of the marvellous potentialities of science for the benefit of all.

The value of the book is twofold. Its many quotable passages show these men expressing sentiments that every socialist must welcome. And further, it shows how we communists have here valuable allies, if only we can learn " patiently to explain," remembering, as Engels said, that " the more relentless and independent science becomes, the more it accords with the interests and aims of the workers."

JONATHAN KEMP.

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PUBLICATIONS RECEIVED.

Soviet Union, 1936. (Lawrence and Wishart Ltd.) 6s. 732 pp.

The Road to War. An analysis of the National Government's Foreign Policy. (Published for New Fabian Research Bureau by Victor Gollancz.) 3s. 6d. 207 pp.

The Second Five Year Plan for the Development of the National Economy of the U.S.S.R., 1933-37. (Lawrence and Wishart Ltd.) 8s. 6d. 671 pp.

Back from the U.S.S.R. André Gide. (Secker and Warburg.) 2s. 6d. 121 pp.

Salud! An Irishman in Spain. Peadar O'Donnell. (Methuen.) 7s. 6d. 256 pp.

Colonial Information Bulletin. No. 2. Subscription, 2s. per annum. (League Against Imperialism, 53 Grays Inn Road, W.C.1.)

Shakespeare : Le Songe D'Une Nuit D'Eté. Adaptation pour la jeunesse par Charles Vildrac. 87 pp. *Eugène Pottier : Chants Révolutionnaires.* Edition Complète. 15 f. 280 pp. (Editions Sociales Internationales, Paris.)

Diderot : Interpreter of Nature. Introduction by Jonathan Kemp. (Lawrence and Wishart Ltd.) 10s. 6d. 358 pp.

Soviet Democracy. Pat Sloan. (Gollancz.) 6s. 288 pp.

A Textbook of Marxist Philosophy. (Gollancz.) 5s. 400 pp.

The End of Socialism in Russia. Max Eastman. (Secker and Warburg.) 1s. 46 pp.

The Twilight of the British Monarchy. By an American Resident. (Secker and Warburg.) 1s. 44 pp.

Phallos and Graal. Alfred H. Hoffenden. (C. W. Daniel Co.) 2s. 6d. 79 pp.

New Way Wins. A play. Montagu Slater. (Lawrence and Wishart Ltd.) 1s. 70 pp.

Plato To-day. R. H. S. Crossman. (Allen and Unwin.) 7s. 6d. 302 pp.

Hindu Customs. Stanley Rice. (Allen and Unwin.) 7s. 6d. 219 pp.

The Moscow Trial. Two Speeches by J. Stalin. (Lawrence and Wishart Ltd.) 1s. 281 pp.

From Bryan to Stalin. The American Labour Movement. William Z. Foster. (Lawrence and Wishart Ltd.) 8s. 6d. 352 pp.

Science and Society. A Marxian Quarterly. Spring, 1937. (30 East 20th Street, New York.) 35 cents. 444 pp.

Fact (No. 2.) I Joined the Army. Private X.Y.Z. (Secker and Warburg.) 6d. 98 pp.

Pamphlets : *Report of a Religious Delegation to Spain.* Dean of Canterbury, etc., etc. (Gollancz.) 6d. 32 pp. *What is the Economic League.* Revised Edition. (Labour Research Department.) 1d. 13 pp. *Spain Assailed.* Student Delegates to Spain Report. (Student Forum.) 3d. 48 pp. *The Meaning of Rearmament.* Max Plowman. (Peace Pledge Union.) 2d. 8 pp. *Spain :* Durango, a Martyred City. Isabel Brown. (Relief Committee for Victims of Fascism.) 1d. 12 pp. *Parade of War.* Plain Man's Guide to the Coronation. (Communist Party.) 1d. 16 pp.

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